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Draft Red Herring Prospectus

Dated: August 22, 2024

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

Please read Section 26 & 32 of the Companies Act, 2013

100% Book Built Issue



EUREKA CONVEYOR BELTINGS LIMITED

CIN: U25201RJ1993PLC007425

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
F-53, Chambal Industrial Area, Industrial Estate Kota, Kota-324003, Rajasthan, India	NA	Ms. Prerna Jain, Company Secretary and Compliance Officer.	Tel. No.: +91 9351603479 E-mail: info@eurekabeltings.com	www.eurekabeltings.com

PROMOTERS OF THE COMPANY:
MR. RAJ KUMAR KHUBCHANDANI, MR. BHARAT KUMAR KHUBCHANDANI, MR. SUMIT KHUBCHANDANI, MR. NITIN KHUBCHANDANI MR. PUNEET KHUBCHANDANI & MRS. BHAKTI KHUBCHANDANI

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 53,28,000 Equity Shares of ₹ [●]/- each.	Nil	[●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. For details in relation to share Reservation among QIBs, NIIs and RIIs, see "Issue Structure" on page 219 of this Draft Red Herring Prospectus.

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 ₹10.00 each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and 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 98 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

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to chapter titled "Risk Factors" beginning on Page No. 23 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 BEELINE CAPITAL ADVISORS PRIVATE LIMITED	Mr. Nikhil Shah	Email: mb@beelinemb.com Tel. No.: 079 4918 5784

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 KFIN TECHNOLOGIES LIMITED	Mr. M Murali Krishna	Email: eureka.ip@kfintech.com Tel. No.: +91 40 6716 2222

BID/ISSUE PROGRAMME

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

*Our Company in consultation with the BRLM 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.



EUREKA CONVEYOR BELTINGS LIMITED

CIN: U25201RJ1993PLC007425

Our Company was originally incorporated as "Eureka Products Private Limited" vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur, Rajasthan. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Eureka Conveyor Beltings Private Limited" to "Eureka Conveyor Beltings Limited" vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 151 of this Draft Red Herring Prospectus.

Registered Office: F-53, Chambal Industrial Area, Industrial Estate Kota, Kota-324003, Rajasthan, India

Tel No.: +91 9351603479; **Email:** info@eurekabeltings.com; **Website:** www.eurekabeltings.com

Contact Person: Ms. Perna Jain, Company Secretary and Compliance Officer.

OUR PROMOTERS: MR. RAJ KUMAR KHUBCHANDANI, MR. BHARAT KUMAR KHUBCHANDANI, MR. SUMIT KHUBCHANDANI, MR. NITIN KHUBCHANDANI MR. PUNEET KHUBCHANDANI & MRS. BHAKTI KHUBCHANDANI

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 53,28,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF EUREKA CONVEYOR BELTINGS LIMITED ("ECBL" OR "EUREKA" OR "OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS, OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND NET ISSUE TO PUBLIC OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] AGGREGATING TO ₹ [●] LAKHS (HEREINAFTER REFERRED TO AS THE "NET ISSUE") THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER I.E. [●], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER I.E. [●] AND [●] EDITION OF THE REGIONAL NEWSPAPER, EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE", REFERRED TO AS THE "DESIGNATED STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB 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. However, if the aggregate demand from Mutual Funds is less than 5.00% 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 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares capital will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or 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, please refer to the chapter titled "Issue Procedure" on page 223 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or the Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to chapter titled "Risk Factors" beginning on Page No.23 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE



BEELINE CAPITAL ADVISORS PRIVATE LIMITED

Registered Office: B 1311-1314,
Thirteenth Floor, Shilp Corporate Park,
Rajpath Rangoli Road, Thalje,
Ahmedabad 380054, Gujarat, India.
Tel. No.: 079 4918 5784
Email: mb@beelinemb.com
Website: www.beelinemb.com
Investor Grievance Email: ig@beelinemb.com
Contact Person: Mr. Nikhil Shah
SEBI Registration No.: INM000012917

REGISTRAR TO THE ISSUE



KFIN TECHNOLOGIES LIMITED

Address: Selenium Tower-B, Plot 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad - 500 032, Telangana
Tel. No.: +91 40 6716 2222
Email: eureka.ipo@kfintech.com
Website: www.kfintech.com
Investor Grievance Email: cinward.ris@kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●]*
BID/ISSUE OPENS ON	[●]
BID/ISSUE CLOSES ON	[●]

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” on pages 106, 140, 103, 179, 98, 151, 200, 190 and 252, respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
“Eureka”, “the Company”, “our Company” and Eureka Conveyor Beltings Limited	Eureka Conveyor Beltings Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at F-53, Chambal Industrial Area, Industrial Estate Kota, Rajasthan-324003, 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 terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Eureka Conveyor Beltings Limited 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 Section 177 of the Companies Act, 2013 as amended.
Auditors/ Statutory Auditors	The Auditors of Eureka Conveyor Beltings Limited being M/s Sanjay Khandelwal & Associates, Chartered Accountant.
Bankers to the Company	HDFC Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 155 of this Draft Red Herring Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Raj Kumar Khubchandani.
CIN	Corporate Identification Number of our Company i.e., U25201RJ1993PLC007425
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Sumit Khubchandani.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Prerna Jain.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “Information with Respect to Group Companies” on page 199 of this Draft Red Herring Prospectus.

Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE0T3B01019
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 155 of this Draft Red Herring Prospectus.
Manufacturing Unit	Unit-I: F-51-F52, Chambal Industrial Area, Kota, Rajasthan-324003, India. Unit-II:- Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003, India.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 26, 2024 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Bharat Kumar Khubchandani.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Eureka Conveyor Beltings Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer review Auditor	The Peer Review Auditors of Eureka Conveyor Beltings Limited being M/s Sanjay Khandelwal And Associates.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani & Mrs. Bhakti Khubchandani. For further details, please refer to section titled “Our Promoters and Promoter Group” beginning on page 172 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoter and Promoter Group” beginning on page 172 of this Draft Red Herring Prospectus.
Registered Office	F-53, Chambal Industrial Area, Industrial Estate, Kota, Rajasthan-324003, India,
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information for the years ended March 31, 2024, 2023 and 2022 together with the annexure and notes thereto.
RoC/ Registrar of Companies	Registrar of Companies, Jaipur
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Stakeholders Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Dr. Rambabu & Mr. Govind Ram Mittal.

ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by the SEBI in this behalf

Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the bid.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful bidder to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager 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 the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, 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 Manager
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to 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
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the bidders for blocking the bid Amount mentioned in the ASBA Form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Draft Red Herring Prospectus.
Bankers to the Issue	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 [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 223 of this Draft Red Herring Prospectus.

Bid	An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date 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 relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (regional language of Rajasthan, where our Registered Office is located).</p> <p>Our Company, in consultation with the BRLM, 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. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (regional language of Rajasthan, where our Registered Office is located).
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, 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</p>
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Draft Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	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 Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.

Broker Centres	Broker centres notified by the Stock Exchanges where investors can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE SME	SME Platform of BSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful bidder 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, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository / 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 NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Red Herring Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ 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 bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.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 Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	BSE Limited (SME Platform) ("BSE SME")
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated August 22, 2024 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
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 Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.

Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Issue and in relation to whom the Bid cum Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
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 bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fresh Issue	The Fresh Issue of up to 53,28,000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (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 circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue / Issue Size/ Public Issue	Initial Public Offering
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of up to 53,28,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 86 of this Draft Red Herring Prospectus
Issue Price	The Price at which the Equity Shares are being issued/offered by our Company under this Draft Red Herring Prospectus being Rs. [●] per equity share.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker	[●]
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of Rs. 10 each at an Issue price of Rs. [●] each aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this Issue.
MOU / Memorandum of Understanding	Memorandum of Understanding dated August 13, 2024 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the 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 [●] Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.

Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / bidder	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA Act, 1999 and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
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
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, 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.
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 Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.

Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar/ Registrar to the Issue /RTA/ RTI	Registrar to the Issue being KFin Technologies Limited.
Registrar Agreement	The agreement dated August 12, 2024 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.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or 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 http://www.bseindia.com/membership/content/cat_of_mem.htm
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
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)
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the BSE Limited i.e. BSE SME
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.
Sub- 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.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person’s bank accounts using a payment address which uniquely identifies a person’s bank Account.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI bid and by way of a SMS directing the RII to such UPI bid) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI bid equivalent to bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an bid in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

Wilful Defaulter	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business:- 1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business. 2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

COMPANY AND INDUSTRY RELATED TERMS

Technical and Industry Related Terms

Term	Full Form
EE	Polyester-Polyester
EP	Polyester-Nylon
EPDM	Ethylene propylene diene monomer
FR	Fire Resistant
IS	Indian Standard
ISO	International Organization for Standardization
MOR	Moderately oil resistant
NBR	Nitrile butadiene rubber
NN	Nylon Nylon Carcass
NR	Natural Rubber
OR	Oil Resistant
PBR	Polybutadiene Rubber
QAP	Quality Assurance Plan
QC	Quality Control
RPO	Rubber Process Oil
SAR	Super Abrasion Resistant
SBR	Styrene -butadiene rubber
SHR	Superior Heat and Abrasion Resistance
SR	Synthetic Rubber
UHR	Ultra Heat Resistant
UHMWPE	Ultra-high-molecular-weight polyethylene

ABBREVIATIONS

Abbreviation	Full Form
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
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
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 & Amortisation
ECS	Electronic Clearing System

ESIC	Employee's State Insurance Corporation
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.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
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.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
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
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million

M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	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
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
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	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
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
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

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

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in the Draft Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references to the “Government”, “Indian Government”, “GOF”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America and its territories and possessions.

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Eureka Conveyor Beltings Limited”, “Eureka”, and, unless the context otherwise indicates or implies, refers to Eureka Conveyor Beltings Limited. In this Draft 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 Draft 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 Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our financial statements prepared and restated for the financial year ended on March 31, 2024, 2023 and 2022 on standalone basis in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “Financial Information of our Company” beginning on page 179 of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

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 Draft 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 Draft 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”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Draft 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, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Information of our Company” beginning on page 179 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section “Definitions and Abbreviations” on page 01 of this Draft Red Herring Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 252 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that

these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency*	For the year/period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
1USD	₹83.37	₹82.22	₹75.82

*Source: fbil.org.in

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft 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 Draft 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.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. The data used in these sources may have been reclassified by us for the purposes of presentation. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in chapter titled "Risk Factors" beginning from page 23

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Issue Price" on page 98 of the Draft 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.

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Draft 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:

- Destructions in our manufacturing process and changes in price of raw material.
- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Fail to attract, retain and manage the transition of our management team and other skilled employees;
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Our ability to expand our geographical area of operation
- Effect of lack of infrastructure facilities on our business;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; "Business Overview" & and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 23, 119 & 181 respectively of the Draft 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, our Directors, our Officers, Book Running Lead Manager and 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 Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: OFFER DOCUMENT SUMMARY

A. PRIMARY DETAIL OF BUSINESS AND INDUSTRY

Summary of Business

Our Company is in the business of manufacturing and exporting a wide range of conveyor rubber belts, industrial rubber belts, industrial conveyor beltings, heat resistant conveyor belts etc. These engineered conveyor belts and industrial beltings cater to the material handling requirements across various process industries such as coal handling, iron ore handling, clinker handling, fuel handling etc. Our company provides durable, efficient, and quality conveyor belt solutions across various industries.

For further details, please refer chapter titled “Business Overview” beginning on Page no. 119 of this Draft Red Herring Prospectus.

Summary of Industry

India is the fourth largest consumer of all rubber globally, next to China, USA & Japan. Per capita consumption of rubber in India currently is at 1.2 Kilograms versus a global average of 3.2 Kilograms. China is at 8 Kilograms (2014) and developed countries are at 13 Kilograms. Growth in natural rubber consumption in India is at 3-4% year over year and that for synthetic rubber at 15-20% since the past 5 years. Rubber belts and hoses will see the fastest gains of any product segment during that span, bolstered by an improving outlook for pricing relative to mechanical goods.

For further details, please refer chapter titled “Industry Overview” beginning on Page no. 106 of this Draft Red Herring Prospectus.

B. OUR PROMOTERS

Our Company is Promoted by Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mrs. Bhakti Khubchandani and Mr. Puneet Khubchandani.

C. SIZE OF THE ISSUE

Public Issue of upto 53,28,000 Equity Shares of Face Value of ₹10/- each of Eureka Conveyor Beltings Limited (“ECBL” or “Eureka” or “Our Company”) for Cash at a Price of ₹ [●] Per Equity Share (Including a Share Premium of ₹ [●] per Equity Share) (“Issue Price”) aggregating to ₹ [●] Lakhs, of which [●] Equity Shares of Face Value of ₹ 10/- each at a price of ₹ [●] aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of [●] Equity Shares of Face Value of ₹10/- each at a price of ₹ [●] aggregating to ₹ [●] Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute [●] and [●] respectively of the Post Issue paid up Equity Share Capital of Our Company.

D. OBJECT OF THE ISSUE

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

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Issue Size
1.	Funding of Capital Expenditure	3000.35	[●]
2.	Funding of Working Capital Requirement	900.00	[●]
3.	General Corporate Expenses	[●]	[●]
Gross Issue Proceeds		[●]	[●]
Less: Issue Expenses		[●]	[●]
Net Issue Proceeds		[●]	[●]

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

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Raj Kumar Khubchandani	6,71,760	4.66	6,71,760	[●]
2.	Bharat Kumar Khubchandani	4,31,760	3.00	4,31,760	[●]

3.	Sumit Khubchandani	37,68,000	26.17	37,68,000	[●]
4.	Nitin Khubchandani	32,16,000	22.33	32,16,000	[●]
5.	Puneet Khubchandani	32,16,000	22.33	32,16,000	[●]
6.	Bhakti Khubchandani	24,00,240	16.67	24,00,240	[●]
	TOTAL (A)	1,37,03,760	95.16	1,37,03,760	[●]
	Promoter Group				
1.	Bhagwanti Khubchandani	3,60,000	2.50	3,60,000	[●]
2.	Laxmi Khubchandani	3,36,240	2.34	3,36,240	[●]
	TOTAL (B)	6,96,240	4.84	6,96,240	[●]
	GRAND TOTAL (A+B)	1,44,00,000	100.00	1,44,00,000	[●]

For further details, refer chapter titled “Capital Structure” beginning on page no. 63 of this Draft Red Herring Prospectus.

F. SUMMARY OF RESTATED FINANCIAL STATEMENT

Restated Financials

(Rs. in Lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Share Capital	60.00	60.00	60.00
Net Worth	4,319.88	3,077.38	2,224.37
Total Revenue	14,098.66	9,639.78	8,333.66
Profit after Tax	1,242.49	853.02	700.88
Earnings Per Share	8.63	5.92	4.87
Net Asset Value Per Share (₹)	719.98	512.90	370.73
Total Borrowings	2,353.97	2,016.84	1,742.31

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

H. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Company						
By the Company	1	NA	NA	NA	1	40.15
Against the Company	NA	13	NA	NA	NA	23.88
Directors						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	1	NA	NA	NA	0.07
Promoters						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	1	NA	NA	NA	0.09
Group Companies						

By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	8	NA	NA	NA	0.22

For further information, please refer chapter titled “Outstanding Litigations and Material Developments” on page no. 190 of this Draft Red Herring Prospectus.

I. Investors should read chapter titled “Risk Factors” beginning on page no. 23 of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

J. SUMMARY OF CONTINGENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I. Contingent Liabilities			
(a) claims against the company not acknowledged as debt	--	--	--
(b) guarantees excluding financial guarantees; and	656.83	--	--
(c) other money for which the company is contingently liable			
II. Commitments			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	--	--	--
(b) uncalled liability on shares and other investments partly paid	--	--	--
(c) other commitments	--	--	--

For further information, please refer “Annexure XXXVI - Contingent Liability” under chapter titled “Financial Information of our Company” on page no. 179 of this Draft Red Herring Prospectus.

K. SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the Year ended March 31, 2024	Amount outstanding as on March 31, 2024 (Payable)/Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/Receivable	Amount of transaction during the year ended March 31, 2022	Amount outstanding as on March 31, 2022 (Payable)/Receivable
Raj Kumar Khubchandani	Director	Remuneration	39.85	0.00	67.20	0.00	56.00	0.00
		Interest	0.00	0.00	19.01	0.00	11.35	0.00
		Loan Taken	41.00	0.00	142.40	0.00	68.96	0.00
		Loan Repaid	193.85	60.96	69.00	213.81	16.50	123.31
Bharat Kumar Khubchandani	Director	Remuneration	34.80	0.00	48.00	0.00	41.00	0.00
		Interest	0.00	0.00	17.20	0.00	13.73	0.00
		Loan Taken	10.00	0.00	152.50	0.00	50.00	0.00
		Loan Repaid	129.55	41.45	143.00	161.00	17.50	136.02
Bhakti Khubchandani	Director	Remuneration	12.55	0.00	4.20	0.00	3.50	0.00
		Interest	0.00	0.00	9.84	0.00	8.03	0.00

		Loan Taken	77.35	0.00	15.03	0.00	10.15	0.00
		Loan Repaid	15.00	150.06	12.25	87.71	0.00	76.08
Sumit Khubchanda ni	Director	Remuneration	59.10	0.00	88.20	0.00	73.50	0.00
		Interest	0.00	0.00	20.06	0.00	16.73	0.00
		Loan Taken	96.75	0.00	20.00	0.00	12.65	0.00
		Loan Repaid	47.63	235.50	3.50	186.38	10.00	151.82
Puneet Khubchanda ni	Director	Remuneration	45.00	0.00	64.80	0.00	55.00	0.00
		Interest	0.00	0.00	9.79	0.00	9.67	0.00
		Loan Taken	75.25	0.00	0.00	0.00	20.15	0.00
		Loan Repaid	15.50	150.14	0.00	90.39	22.00	81.58
Bhagwanti Khubchanda ni	Spouse of Director	Remuneration	0.00	0.00	0.00	0.00	0.00	0.00
		Interest	0.00	0.00	4.28	0.00	6.20	0.00
		Loan Taken	9.62	0.00	13.58	0.00	1.66	0.00
		Loan Repaid	0.00	52.37	30.25	42.75	14.00	55.57
Laxmi Khubchanda ni	Spouse of Director	Remuneration	0.00	0.00	0.00	0.00	0.00	0.00
		Interest	0.00	0.00	10.69	0.00	10.16	0.00
		Loan Taken	38.50	0.00	0.21	0.00	0.40	0.00
		Loan Repaid	40.00	95.14	6.75	96.64	0.50	93.56
Nitin Khubchanda ni	Director	Remuneration	45.00	0.00	64.80	0.00	55.00	0.00
		Interest	0.00	0.00	8.80	0.00	6.53	0.00
		Loan Taken	132.25	0.00	0.00	0.00	22.15	0.00
		Loan Repaid	12.50	201.05	0.00	81.30	6.00	73.37
Vinita Khubchanda ni	Spouse of Director	Remuneration	3.85	0.00	0.00	0.00	0.00	0.00
		Interest	0.00	0.00	3.29	0.00	2.16	0.00
		Loan Taken	0.34	0.00	10.22	0.00	0.21	0.00
		Loan Repaid	30.00	3.65	0.00	33.31	0.00	20.13
Neha Khubchanda ni	Spouse of Director	Remuneration	3.85	0.00	0.00	0.00	0.00	0.00
		Interest	0.00	0.00	4.17	0.00	3.34	0.00
		Loan Taken	0.43	0.00	5.35	0.00	0.25	0.00
		Loan Repaid	35.00	5.58	0.00	40.15	0.00	31.04
R.K. and Sons, HUF	HUF of Director	Remuneration	0.00	0.00	0.00	0.00	0.00	0.00
		Interest	0.00	0.00	5.49	0.00	4.91	0.00

		Loan Taken	0.00	0.00	0.38	0.00	0.35	0.00
		Loan Repaid	50.76	0.10	0.00	50.86	0.00	45.54
Indana Rubber Industries	Partnership Firm of Directors	Purchases	9.57	0.00	9.94	0.00	10.52	0.00
		Rent	9.00	-0.84	9.00	1.55	9.00	2.40

For details of Restated related party transaction, please refer “Annexure 35 – Related Party Transaction” under chapter titled “Restated Financial Statements” beginning on page no. 179 of this Draft Red Herring Prospectus

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

M. The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Name of the Promoters	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Raj Kumar Khubchandani	6,71,760	5.88
Bharat Kumar Khubchandani	4,31,760	5.90
Sumit Khubchandani	37,68,000	5.87
Nitin Khubchandani	32,16,000	5.87
Puneet Khubchandani	32,16,000	4.33
Bhakti Khubchandani	24,00,240	5.87

*The weighted average cost of acquisition of Equity Shares for last one year by our Promoters has been calculated by taking into account the amount paid by them to acquire Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

As certified by Sanjay Khandelwal & Associates, Chartered Accountants by way of their certificate dated August 13, 2024.

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

Name of the Promoters	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Raj Kumar Khubchandani	6,71,760	6.05
Bharat Kumar Khubchandani	4,31,760	6.07
Sumit Khubchandani	37,68,000	6.03
Nitin Khubchandani	32,16,000	6.04
Puneet Khubchandani	32,16,000	4.51
Bhakti Khubchandani	24,00,240	6.04

*The weighted average cost of acquisition of Equity Shares for last one year by our Promoters has been calculated by taking into account the amount paid by them to acquire Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

As certified by Sanjay Khandelwal & Associates., Chartered Accountants by way of their certificate dated August 13, 2024

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

P. Except as disclosed in this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

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

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

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 119 and 181, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

This Draft 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 Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 23 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 181 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of the Company" prepared in accordance with the Indian Accounting Standards.

Materiality

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

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

INTERNAL RISK FACTORS

- 1. We do not have long-term agreements with most of our suppliers or customers and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows. Further, our inability to accurately forecast demand for our products or manage our inventory or working capital requirements may have an adverse effect on our business, results of operations and financial condition.***

The primary raw materials used for our manufacturing process are natural and synthetic rubber, nylon fabric, carbon black and various other rubber chemicals. All the raw materials are purchased from third parties. We typically do not enter into long-term supply contracts with any of our suppliers with respect to our raw material requirements and typically place orders with them in advance of our anticipated requirements. We believe that efficient inventory management is a key component of the success of our business, results of operations and profitability and to that end we maintain a reasonable level of inventory of raw materials, work in progress and finished goods at our manufacturing facility. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast due to inter alia the domestic scale of our operations and

demand for our products, could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all.

We typically do not enter into long-term agreements with most of our customers. Our relationship with our customers is generally on a non-exclusive basis and accordingly, our customers may choose to cease sourcing our products and choose to source alternative options. Therefore, we cannot assure that we will receive repeat orders from our customers in the future. Additionally, our customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of contracts.

There are also a number of factors, other than our performance, that could cause the loss of a customer such as:

- a) increase in prices of raw materials and other input costs;
- b) changes in consumer preferences;
- c) changes in governmental or regulatory policy, etc.

Any of these factors may have an adverse effect on our business, results of operations and financial condition. Further, absence of any contractual exclusivity with respect to our business arrangements with such customers poses a threat on our ability to be able to continue to supply our products to these customers in the future.

For further details of our Business, please refer to chapter titled "Business Overview" beginning on page 119 of this Draft Red Herring Prospectus.

2. *Our main operations may be adversely affected in case of industrial accidents at our manufacturing unit and also rubber is a combustible commodity which may lead to any fire mishaps or accidents that could lead to property damages, property loss and accident claim.*

Rubber being a combustible commodity, every stage from procurement, processing, storage and transportation to final dispatch is fraught with an imminent danger of an instant fire. The risk of fire hazard is increased due to increased automation and use of large volume of air for material handling. Any spark generated can not only generate fire but also the same could propagate to other machines through spread of fire by rubber's flammability. We have not experienced any such incident in past. Though we have taken insurance policy to cover damage caused by fire however, the cover may not be adequate to the loss suffered.

For further details of our Business, please refer to chapter titled "Business Overview" beginning on page 119 of this Draft Red Herring Prospectus.

3. *Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.*

Our business requires us to obtain and renew from time to time certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In particular, we have applied for a Fire NOC for a factory at Chambal, Industrial Area, Kota. Further, these approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see "Government and Other Statutory Approvals" on page 193 of this Draft Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

4. Intense competition in the market of conveyor Rubber Belting Industry could affect our pricing, which could reduce our share of business from clients and decrease our revenues and profitability

We operate in a competitive industry that experiences rapid technological developments, and changes in customer requirements. Our competitors include the big and mid-sized competitors in the various geographic markets in which we operate.

We may face competition from companies that grow in size or scope as the result of strategic mergers or acquisitions, which may result in larger competitors with significant resources that benefit from economies of scale and scope. Such events could have a variety of negative effects on our competitive position and our financial results, including reducing our revenue, increasing our costs, and lowering our gross margin percentage.

If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to produce products similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and client needs, our competitors may be more successful at selling their products. If we are unable to provide our clients with superior products at competitive prices or successfully market those products to current and prospective clients, our business, results of operations and financial condition may suffer.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

5. We have certain outstanding litigation against our Company, an adverse outcome of which may adversely affect our business, reputation and results of operations.

We have certain outstanding litigation against our Company, an adverse outcome of which may adversely affect our business, reputation and results of operations.

A summary of outstanding matters set out below includes details of civil proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoter and Group Company, as at the date of this Draft Red Herring Prospectus.

Cases against our Company:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	1	NA	NA	NA	1	₹ 40.15
Against the Company	NA	13	NA	NA	NA	₹ 23.88
Promoters						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
Directors other than Promoters						
By our directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	1	NA	NA	NA	₹ 0.07
Group Company						
By our Group Company	NA	NA	NA	NA	NA	NA
Against our Group Company	NA	8	NA	NA	NA	₹ 0.22

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see “Outstanding Litigations and Material Developments” beginning on page 190 of this Draft Red Herring Prospectus.

6. Our failure to adapt to technological developments or industry trends could affect the performance and features of our products, and reduce our attractiveness to our customers.

As our operations grow in scope and size, whether through offering of new products or expansion into new markets, we must continuously improve, upgrade, adapt and expand our systems and infrastructure to offer our customers enhanced products, features and functionality ahead of rapidly evolving customer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner. The systems, infrastructure and technologies we currently employ may become obsolete or be unable to support our increased size and scale. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customize and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. We may be unable to devote adequate financial resources or obtain sufficient financing on commercially acceptable terms in time, or at all, which may have a material adverse effect on our business, prospects, results of operation and financial condition. For further details regarding our business, please refer to chapter titled “Business Overview” beginning on Page 119 of this Draft Red Herring Prospectus.

7. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.

As of March 31, 2024, our long-term borrowings were ₹1753.23 Lacs & short-term borrowings were ₹600.74 Lacs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Also, we have not yet received Consent from our Bankers to the Company. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company’s borrowings, see “Financial Information of our Company” on page 179 of this Draft Red Herring Prospectus.

8. If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.

We have experienced sustainable growth in recent years and expect our businesses to continue to grow significantly. Our future growth is subject to risks arising from a rapid increase in volume, and inability to retain and recruit skilled staff. We may not grow at a rate comparable to our growth rate in the past, either in terms of income or profit.

Our future growth may place significant demands on our management and operations and require us to continuously evolve and improve our financial, operational and other internal controls within our Company. In particular, continued expansion may pose challenges in:

- maintaining high levels of quality control and cost effective manufacturing, and customer satisfaction;
- recruiting, training and retaining sufficient skilled management and technical personnel for our business process;
- developing and improving our internal administrative infrastructure, particularly our financial,
- operational, communications, internal control and other internal systems;
- making accurate assessments of the resources;
- adhering to the standards of health, safety and environment and quality and process execution to meet clients’ expectations;
- strengthening internal control and ensuring compliance with legal and contractual obligations;
- Managing relationships with customers, suppliers and lenders.

If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected.

9. The unsecured loan availed by our Company from Director may be recalled at any given point of time.

Our Company has been availing unsecured loans from Director from time to time. The total outstanding payable to them as on March 31, 2024 amounts to Rs. 996.00 Lacs as per Restated Financials Statement. Although there are no terms and condition prescribed for repayment of unsecured loan from our Director and Promoter which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer “Financial Information of our Company” on page 179 of this Draft Red Herring Prospectus.

10. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top ten customers have contributed 40.33%, 42.83% & 43.87% of our revenues for the year ended March 31, 2024, March 31, 2023, March 31, 2022 based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among few customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

11. Our top ten suppliers contribute majority of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.

Our top ten suppliers contributed approximately 58.92%, 73.70% & 77.12% of our total purchases for the year ended March 31, 2024, March 31, 2023, March 31, 2022 respectively based on Restated Financial Statements. However, our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost effective suppliers in normal course of business. Since our business is concentrated among relatively few significant suppliers, we could experience a reduction in our purchases and business operations if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification.

While we believe we have maintained good and long term relationships with our other suppliers too, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

12. Our Company is yet to place orders for the machinery for the expansion of the Manufacturing Facility. Any delay in placing orders or procurement of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.

Our Company has received third party quotations for the machinery proposed to be installed at Manufacturing Facility. Although, we have identified the type of machinery proposed to be purchased from the Net Proceeds, we are yet to place orders for the proposed machinery amounting to Rs. 3000.35 lakhs. The cost of the proposed purchase of machinery is based on the quotations received from third party vendors and contractors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, please refer to the chapter titled "Objects of the Issue" beginning on page 86 of this Draft Red Herring Prospectus.

We cannot assure that we will be able to procure the machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or

in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of the Manufacturing Facility. Further, if we are unable to procure machinery from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery which satisfy our requirements at acceptable prices. Our inability to procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

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

As of March 31, 2024, we own and operate manufacturing facilities in Kota, Rajasthan with an aggregate approved total installed capacity of 5100 & 7200 metric tons yearly, for manufacturing of conveyor belts. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

For details of Installed Capacity and utilization, please refer chapter titled “Business Overview” on page 119 of this Draft Red Herring Prospectus.

14. Information in relation to our installed capacity and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates, and future production and capacity utilization may vary.

Information relating to our installed capacities and the capacity utilization of our manufacturing facilities included in this Draft 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, actual product mix vis-à-vis the products mix envisaged for computation of our installed capacity and assumptions relating to potential utilization levels and operational efficiencies. While we have obtained a certificate dated August 13, 2024, from Mr. Mahendra Kr. Chauhan, Chartered Engineer, actual capacities and utilization rates may differ significantly from the estimated installed capacities or estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or estimated capacity utilization information for our existing facility included in this Draft Red Herring Prospectus.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 19 of this Draft Red Herring Prospectus.

15. There have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such past or future non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected.

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956, few of which have not been done within the stipulated time periods at some instances.

In addition, we are also unable to trace bank statements of the Company and Promoter for further allotment made during the year 1993, 1995, 2005 & 2008. In relation to the transactions for above-mentioned allotment we have relied on the report dated August 13, 2024 from Sanjay Khandelwal & Associates, Chartered Accountants.

Further, in the process of filing Form AOC-4 with the Registrar of Companies (RoC) for the financial year 2014-15 to 2022-23, a clerical error occurred wherein the box for the " Provisional Unadopted financial statements " was inadvertently selected instead of the " Adopted and Audited financial Statements although the company has attached the Audited financial Statements in AOC-4.

In addition to above, there are Clerical and typographical errors in some of the forms filed with RoC in the past years. The details of major discrepancies in forms and their respective corrective action taken by the Company are as follows:

S.No.	Year	Discrepancies	Corrective Action taken
1.	1994-95	As per Form 7-B (Share Transfer Form) of Companies Act 1956, there were two transfers of Equity shares on 25/09/1994 as per the following details: 1. 10 equity shares from Dr. Ram Babu to Raj Kumar Khubchandani 2. 10 equity shares from Govind Ram Mittal to Bharat Kumar Khubchandani These transfers have been erroneously recorded as joint transfer from “Govind Ram Mittal to Bharat Kumar Khubchandani and his wife Laxmi Devi Khubchandani” and “from Dr. Ram Babu to Raj Kumar Khubchandani and his wife Bhagwanti Khubchandani”	Company has filed revised Annual return to rectify the discrepancies.
2.	2004-05	As per Form 7-B (Share Transfer Form) as per Companies Act 1956, there was one transfer of 10 Equity shares on 28/03/2005 as per the following details: 1. 10 Equity shares from Bharat Kumar Khubchandani to Raj Kumar and sons HUF. This transfer was omitted to be recorded in the Annual Return.	Company has filed revised Annual return to rectify the discrepancies.
3.	2004-05 to 2007-08	As per the list of shareholders filed along with the Annual returns, the total paid up capital was erroneously shown as 200010 equity shares of Rs 10 each. The difference was due to not decreasing the shareholding of Bharat Kumar Khubchandani consequent upon transfer of 10 equity shares from him to Rajkumar and sons HUF but at the same time recording Rajkumar and Sons HUF as a new shareholder.	Annual Returns for the stated period have been revised.
4.	2008-09	As per Form 7-B (Share Transfer Form), Companies Act 1956 and list of shareholders annexed to the Annual return, there was one transfer of Equity shares on 25.11.2008 as per the following details: 1. 10 Equity shares from Bharat Kumar Khubchandani to Kamlesh Tulsidas Gangwani. This transfer was omitted to be recorded in the Annual Return.	Company has filed revised Annual return to rectify the discrepancies.
5.	2011-12	As per Form 7-B (Share Transfer Form), Companies Act 1956 and list of shareholders annexed to the Annual return, there were three transfers of Equity shares on 01.12.11 as per the following details: 1. 10 Equity shares from Bharat Kumar Khubchandani to Pushpa Gangwani; 2. 10 Equity shares from Raj Kumar Khubchandani to Parmeshwari Devi; 3. 10 Equity shares from Raj Kumar Khubchandani to Harsha Chetwani. These transfers were omitted to be recorded in the Annual Return.	Company has filed revised Annual return to rectify the discrepancies.
6.	2020-21	There was one discrepancy in the Annual Return (Form MGT-7) filed: 1. There are 6 directors of the company and all of them come under the Promoter shareholding but in the annual return (Form MGT-7) all the 12 shareholders were reported as promoters erroneously.	Company has filed revised Annual return to rectify the discrepancies.
7.	2021-22	There was one discrepancy in the Annual Return (Form MGT-7) filed: 1. There are 6 directors of the company and all of them come under the Promoter shareholding but in the annual return (Form MGT-7) only 4 were identified as promoters and rest 8 shareholders were identified as public shareholders erroneously.	Company has filed revised Annual return to rectify the discrepancies.
8.	2022-23	There was one discrepancy in the Annual Return (Form MGT-7) filed: 1. Two executive directors were erroneously reported as independent directors in the Annual Return (Form MGT-7)	Company has filed revised Annual return to rectify the discrepancies.

In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business, financial conditions and result of operations.

16. Some of our corporate records, including forms filed with the Registrar of Companies are not traceable. We cannot assure you that these forms of filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

Our company has been unable to locate some corporate and other documents, including forms filed with the Registrar of Companies prior to 2006. This is due to changes in record-keeping methods resulting from technological advancements and computerization. Despite efforts to locate these forms, some of them have not been found, and certain information gathered from other available documents may not be correct. It's worth noting that online filing of RoC documents was only initiated in 2006, so all forms prior to this year were physically filed and may not be retrievable from the Ministry of Corporate Affairs (MCA) portal and physical inspection.

Under these circumstances, we cannot guarantee that all filings were made in a timely manner, and our company may not be able to attend to or respond appropriately to legal matters due to the loss or destruction of records. This could potentially have an adverse effect on our business operations. Further, we cannot assure you that we will not be subject to legal proceedings, regulatory action or penalties imposed by statutory or regulatory authorities in this respect, which may adversely affect our business, financial condition, results of operations and reputation. In relation to said documents we have relied on the report dated August 15, 2024 from Devesh Maheshwari, Company Secretary.

17. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As on March 31, 2024, our total secured borrowings amounted to Rs. 1357.97 Lacs. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, Please refer chapter titled “Financial Information of our Company” beginning on Page 179 of this Draft Red Herring Prospectus.

18. Our operations are labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

Our operations are labour intensive and we are dependent on a large labour force for our manufacturing operations. As of July 31, 2024, we employed 108 employees at various levels of the organization. We also employ contractual labours on contract basis as per the need of business. The success of our operations depends on availability of labour and maintaining good relationship with our workforce. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. For further details of our business, Please refer to chapter titled “Business Overview” beginning on Page 119 of this Draft Red Herring Prospectus.

19. We have entered into and may enter into related party transactions in the future also.

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. Our Company had entered into various transactions with our Promoters, Directors, Promoter Group and Promoter Group Entities. These transactions, inter-alia includes salary, remuneration, loans and advances, purchases, rent and interest etc. Our Company entered into such transactions at arm length price due to easy proximity and quick execution.

However, there is no assurance that we could not have obtained better and more favourable terms that our Company not entered into such related party transactions. Our Company may enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. For details, please refer to Related Party Transactions of the Auditor's Report under Section titled "Financial Information of the Company" beginning on page no. 179 of this Draft Red Herring Prospectus.

20. We face risks associated with currency exchange rate fluctuations.

Our revenue from operations is effected by foreign exchanges fluctuations. The revenue from operation of our company for the year 2023-24, 2022-23 and 2021-22 is ₹ 110.08 Lakhs, ₹ 337.31 Lakhs and ₹ 146.59 Lakhs from exporting our products. Because of our foreign currency exposures, exchange rate fluctuations, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and U.S. dollar has been volatile in recent periods and may continue to fluctuate in the future.

Fluctuations in the exchange rates may affect us to the extent of our sales. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may impact our profitability and financial condition.

21. Our success is dependent on our Promoter, senior management and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director and Whole Time Directors may have an adverse effect on our business prospects.

Our Promoters, Managing Director, Whole Time Directors and senior management have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our senior management team. Our Chairman and Whole-Time Director Mr. Raj Kumar Khubchandani, Managing Director Mr. Bharat Kumar Khubchandani and whole-time Directors Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mrs. Bhakti Khubchandani and Mr. Puneet Khubchandani have been employed with our Company since our incorporation. They are having experience of 43, 43,19,19,12 and 12 years respectively in Rubber Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our whole-time director or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

The success of our business is also dependent upon our ability to hire, retain, and utilize qualified personnel and corporate management professionals who have required experience and expertise. From time to time, it may be difficult to attract and retain qualified individuals with the requisite expertise and we may not be able to satisfy the demand from customers for our Products because of our inability to successfully hire and retain qualified personnel.

For further details of our Promoters and Management, please refer chapter titled "Our Promoters and Promoter Group" and "Our Management" beginning on Page 172 & 155 of this Draft Red Herring Prospectus.

22. If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.

We benefit from certain general tax regulations and incentives that accord favourable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter "Statement of Possible Tax Benefits" on page 103 of this Draft Red Herring Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible

for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

23. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.

Our Company had reported certain negative cash flows from our operating and investing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

Particulars	For the year ended March 31,		
	2024	2023	2022
Cash flow from Operating Activities	645.08	1488.52	(54.55)
Cash flow from Investing Activities	(559.68)	(1634.18)	(864.44)
Cash flow from Financing Activities	210.76	137.32	789.88

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled “Financial Information of our Company” beginning on Page 179 of this Draft Red Herring Prospectus.

24. Our marketing and advertising campaigns may not be successful in increasing the popularity of our products and offerings. If our marketing initiatives are not effective, this may adversely affect our business and results of operations.

Our revenues are influenced by our marketing plans including advertising. If we adopt unsuccessful marketing and advertising campaigns, we may fail to attract new customers or retain existing customers. If our marketing and advertising strategies are unsuccessful, our business and results of operations could be materially adversely affected. In addition, the support of our employees is also critical for the success of our marketing programmes, such as local marketing and any new strategic initiatives we seek to undertake. While we can mandate certain strategic initiatives, we need the active support of our employees if the implementation of these initiatives is to be successful. The failure of our employees to support our marketing programmes and strategic initiatives could adversely affect our ability to implement our business strategy and harm our business, financial condition, results of operations and prospects.

In addition, increased spending by our competitors on advertising and promotion or an increase in the cost of advertising in the markets in which we operate, could adversely affect our results of operations and financial condition. Moreover, a material decrease in our funds earmarked for marketing and advertising or an ineffective advertising campaign relative to that of our competitors, could also adversely affect our business and results of operations.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

25. Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could affect our business prospects, results of operations and financial condition.

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our business. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. The risks associated with the deployment of manpower include possible claims relating to:

- actions or inactions, including matters for which we may have to indemnify our customers;
- Our failure to adequately verify personnel backgrounds and qualifications;
- failure of manpower engaged by us to adequately perform their duties or absenteeism;
- errors or malicious acts or violation of security, privacy, health and safety regulations; and

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and effect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, our business, financial condition, results of operations and prospects.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

26. Our manufacturing activities are dependent upon availability of skilled and unskilled labours.

Our manufacturing activities are dependent on availability of skilled and unskilled labour. Our company also employs labour on contract basis as per the needs of business along with the employees on permanent pay roll of the company. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers.

Further, we spend significant time and resources in training the manpower we hire. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

27. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We are exposed to counter party credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows.

For further details, please refer to chapter titled “Restated Financial Information” beginning on page 179 of this Draft Red Herring Prospectus.

28. There may be potential conflicts of interest if our Promoters or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.

Our Promoter Group Entity i.e., Indana Rubber Industry is involved in business of dealing in rubber products. Also, our Company has entered into various transaction such as Loan, interest, rent and purchases in past with our Promoter Group Entities and will continue to do in future. For detailed information for our transaction with group Companies please refer chapter titled “Financial Information of the Company” beginning on page 179 of this Draft Red Herring Prospectus.

Further, we have not entered into any non-compete agreement with our said entities. We cannot assure you that our Promoters who has 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 our Promoter Group Entities in circumstances where our respective interests diverge. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group 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. For further details, please refer to “Common Pursuits” under chapter titled “Our Promoters and Promoter Group” on Page of 172 of this Draft Red Herring Prospectus.

29. We are subject to the risk of failure of, or a material weakness in, our internal control systems.

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In

addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

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

While we maintain insurance coverage related to our Building and other insurance for movable assets, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

31. Our Promoters and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "Our Management" and "Our Promoters and Promoter Group" on pages 155 and 172 respectively of this Draft Red Herring Prospectus.

32. The non availability of Experience Certificate for one of our Director Mr. Suresh Kishnani presents a potential risk that could affect the business operations and strategic direction of our company.

The non-availability of Experience Certificate for one of Our Director Mr. Suresh Kishnani introduces a potential risk to our company's business operations. This could affect various areas, including decision-making, strategic vision, innovation, stakeholder confidence, and regulatory compliance. However, our promoters have effectively built and managed the company through their extensive hands on industry experience. Their deep practical understanding and proven ability to navigate challenges have been crucial to the company's growth and success.

While the non-availability of Experience Certificate is a consideration, it is balanced by the directors' substantial industry expertise and demonstrated success. The company remains dedicated to fostering a leadership team that combines practical experience with academic knowledge to address future challenges and sustain growth.

33. Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.

The Government of India may implement new laws or other regulations that could affect the manufacturing industry or the sectors we serve, 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. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations. Any such changes and the related uncertainties with respect to the implementation or change in the legal framework may have a material adverse effect on our business, financial condition and results of operations.

34. We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result,

we may not be able to respond to business opportunities, challenges or unforeseen circumstances.

Our major fund based and non-fund based financial assistance has been sanctioned by the bank, i.e. the HDFC Bank and SIDBI on the security of assets. The Company is dependent on the Banks for its Working Capital requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company.

Additionally, this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future capital expenditures, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have an effect on our business, results of operations and financial condition.

For further details of our loans, Please refer chapter titled “Financial Information of our Company” beginning on Page 179 of this Draft Red Herring Prospectus

35. Our business operations may be disrupted by an interruption in power supply which may impact our business operations.

Our operations involve a significant amount of power supply as our manufacturing process requires continuous supply of power. We depend on State electricity supply for our power requirements. An interruption in power supply may occur in the future as a result of any natural calamity, technical fault, and shortage of power or other factors beyond our control. This could also result in an increase in the cost of power. Lack of sufficient power resources or an increase in the cost of such power may adversely affect our business, results of operations and financial condition.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus

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

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

37. Our inability to manage inventory in an effective manner could affect our business.

Our business model requires us to maintain a certain level of inventory of our raw material, to meet the present and future orders. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

38. The property used by the Company for the purpose of its operations is not owned by us. Any termination of the relevant rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.

Our registered office is located at F-53, Chambal Industrial Area, Industrial Estate, Kota-324003 Rajasthan, India and the same are not owned by us. We have obtained this property from our promoter group entity M/s Indana Rubber Industries through Leave and License Agreement dated June 01, 2024. Any termination of the lease in connection with these properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations. If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For details regarding properties taken on lease refer the Section titled —Properties — “Business Overview” beginning on page no.119 of this Draft Red Herring Prospectus.

39. We depend on third parties for a major portion of our transportation needs. Any disruptions may affect our operations, business and financial condition.

We reliance on third-party transportation offers cost-efficiency and operational focus but comes with risks. While outsourcing logistics reduces the need for capital investment in vehicles and staff, it also makes the company vulnerable to external disruptions, such as strikes, fuel shortages, or logistical issues, which can delay deliveries and affect production schedules. This dependency limits Eureka's ability to quickly respond to sudden changes in demand or supply chain challenges, potentially leading to missed opportunities and customer dissatisfaction.

40. We may not be able to prevent unauthorised use of trademarks obtained/applied for by third parties, which may lead to the dilution of our goodwill.

We have obtained trademark registrations of our brands, including “EUREKON” under class 07 under the Trade Marks Act, 1999 (“Trade Marks Act”), any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details please refer to chapter titled “Government and Other Approvals” beginning on page 193 of the Draft Red Herring Prospectus.

41. Interest Rate Fluctuation Risk may Impact on Financial Costs and Profitability of the company .

Interest rate fluctuations present a significant risk to a company’s financial costs and overall profitability. When interest rates rise, the cost of borrowing increases, leading to higher interest payments on loans and credit lines. This can strain the company’s cash flow, reduce net income, and make it more expensive to finance operations, expansion projects, or capital investments. For companies with significant debt, even small increases in interest rates can have a substantial impact on financial performance.

Conversely, if interest rates decrease, while the cost of borrowing becomes cheaper, the company may face lower returns on its cash reserves or investments, impacting overall profitability. Additionally, fluctuating interest rates can create uncertainty in financial planning, making it challenging to budget accurately or forecast future financial obligations. This volatility can also affect the company’s valuation, as investors may adjust their expectations based on the changing cost of capital. Overall, managing interest rate risk is crucial to maintaining financial stability and protecting profitability in an uncertain economic environment.

42. Any increase in the cost of our raw material or other purchases or a shortfall in the supply of our raw materials, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.

The success of our operations depends on a variety of factors, including our ability to source raw materials at competitive prices. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, pandemic, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use.

We seek to source our raw materials from reputed suppliers and typically seek quotations from multiple suppliers. We typically do not enter into long-term agreements with our suppliers. We may be required to track the supply demand dynamics and regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices

Further, we procure a large portion of our raw materials from a few key suppliers, any disruption of supply of raw materials from such suppliers could adversely impact our operations and business if we are unable to replace such suppliers in a timely manner. We cannot assure you that we will be able to enter into new arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business and profitability. We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price. Additionally, 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. 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.

For further details of our Business, please refer to chapter titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus

43. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India .

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters
- prevailing regional or global economic conditions, including in India’s principal export markets; and
- Other significant regulatory or economic developments in or affecting India or its Rubber sector.

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

44. The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance .

The company’s operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company’s control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. For further details of our operating results, section titled “Financial Information of the Company” beginning on Page 179 of this Draft Red Herring Prospectus.

45. We have not independently verified certain data in this Draft Red Herring Prospectus.

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

46. We are susceptible to risks relating to unionization of our employees employed by us.

We cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher salary and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits

and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

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

Our Company is mainly engaged in manufacturing of conveyor rubber belts which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer “Outstanding Litigation and Material Development” beginning on page 190 of this Draft Red Herring Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

48. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.

We may encounter problems in executing the orders in relation to our products or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed.

Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income.

In the ordinary course of business, we extend credit to our customers. Our results of operations and profitability depend on the creditworthiness of our customers. Certain of these customers may have weak credit histories and we cannot be assured that these counterparties will always be able to pay us in a timely fashion, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition.

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

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

For further details of our Object for the Issue, Please refer chapter titled “Object for the Issue” beginning on Page 86 of this Draft Red Herring Prospectus.

50. Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.

Our Company intends to primarily use the Net Proceeds towards working capital requirement and for general corporate purposes as described in “Objects of the Issue” on page 86 of this Draft Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

51. Our funds requirements are based on internal management estimates, wherever possible, and have not been appraised by any bank or financial institution. Any increase in the actual deployment of funds may cause an additional burden on our finance plans. We have not entered into definitive agreements to utilize our Issue proceeds.

The fund requirement mentioned as a part of the Objects of the Issue is based on internal management estimates, wherever possible, and has not been appraised by any bank or financial institution or any external agency. 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, etc. With increase in costs, our actual deployment of funds may exceed our estimates and may cause us an additional burden on our finance plans. As on the date of the Draft Red Herring Prospectus, we have not entered into any definitive agreements for implementing the Objects of the Issue.

For more information, please refer to "Objects of the Issue" on page 86 of the Draft Red Herring Prospectus.

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

We propose to utilize the Net Proceeds for raising funds for working capital Requirement. For further details of the proposed objects of the Issue, please refer the chapter titled "Objects of the Issue" beginning on Page No. 86 of this Draft Red Herring Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

53. We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.

In the last 12 months we have issued fresh Equity Shares to the promoters and other shareholders of our Company which are as follows: -

- Right Issue of 1,20,000 Equity shares of face value of Rs.10/- each fully paid up at an issue price of Rs.675/- each dated April 05, 2024
- Bonus Allotment of 1,36,80,000 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 19:1 dated April 13, 2024

The Equity Shares allotted to investors pursuant to this Issue is being priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time.

For Further details of equity shares issued, please refer to the chapter titled “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus.

54. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. As on date we have not identified the use of such funds.

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the chapter titled “Objects of the Issue” beginning on Page No 86 of this Draft Red Herring Prospectus.

55. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on pages 63 of this Draft Red Herring Prospectus.

56. We have not paid any dividends in the last five Financial Years. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our ability to generate returns for Shareholders is dependent on a host of factors that impact our business and financial condition. Our Company has not paid any dividend on its Equity Shares during the last five Financial Years but it has declared interim dividend of Rs.1/- per equity share in FY 2024-24 on May 02, 2024. The amount of future dividend payments, if any, will depend upon a number of factors, such as our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions, capital expenditures and cost of indebtedness.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into. Even in years in which we may have profits, we may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. There can therefore be no assurance that we will be able to pay dividends in the future. For further details, see section "Dividend Policy" on page 178 of this Draft Red Herring Prospectus.

57. We will continue to be controlled by our Promoters and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold 100% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoters and Promoter Group will continue to hold together [●] of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders’ approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled “Capital Structure” beginning on Page 63 of this Draft Red Herring Prospectus.

58. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed,

the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financial factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment

59. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

60. 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 our Equity Shares has been determined through the Book building process. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 98 of this Draft Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. 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. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

61. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

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

Our growth is dependent on having a balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new

debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

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

EXTERNAL RISK FACTORS

63. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

64. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "CCI"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds.

On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the "Combination Regulation Provisions"), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to

combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

65. *The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.*

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments.

As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

66. *You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.*

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

We currently operate in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the Rubber industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the present situation of lock-down is prevailing in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition prevail for longer time the Demand for our products & services may be adversely affected by an economic downturn in domestic, regional and global economies. India’s economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

68. *Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.*

The Ministry of Corporate Affairs (“MCA”), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 (“Ind AS”) which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards (“ICDS”), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

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

Our financial statements are prepared and presented in conformity with Indian GAAP. No attempt has been made to reconcile any of the information given in this document to any other principles or to base it on any other standards. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

70. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

71. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging Asian market countries. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. In recent times, the Indian financial markets had been negatively affected by the volatility in global financial market, including on account of certain European nations’ debt troubles and move to break away by the United Kingdom from the European Union. Although, economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to, amongst other, the announcements by the U.S. government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial

institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

72. A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavourable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and e-commerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

SECTION IV– INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Issued*: Public Issue of Equity Shares by our Company of which	Up to 53,28,000 Equity Shares aggregating to ₹ [●] Lakhs
Issue Reserved for the Market Makers	[●] Equity Shares aggregating to ₹ [●] Lakhs
Net Issue to the Public of which	[●] Equity Shares aggregating to ₹ [●] Lakhs
A. QIB Portion	Not more than [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
B. Non-Institutional Category	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
C. Retail Portion	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
Equity Shares outstanding prior to the Issue	1,44,00,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of ₹10 each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled “Objects of the Issue” on page 86 of this Draft Red Herring Prospectus

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

Note:

- (1) This 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 issued to the public for subscription. For further details, please see the section titled “Issue Related Information” beginning on page 212 of this Draft Red Herring Prospectus.
- (2) The present Issue in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated July 15, 2024. and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on July 22, 2024.
- (3) 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 within the offer price band. 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 223 of this Draft Red Herring Prospectus.
- (4) 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. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount (“ASBA”) process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see “Issue Procedure” on page 223

- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh issue by the Issuer.
- (7) 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 Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

SUMMARY OF FINANCIAL INFORMATION

Restated Summary Statement of Assets and Liabilities

(Rs in Lakhs)

Particulars	Annexure	As At 31.03.2024	As At 31.03.2023	As At 31.03.2022
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	V	60.00	60.00	60.00
Reserves and Surplus	VI	4259.88	3017.38	2164.37
Non-Current Liabilities				
Long-Term Borrowings	VII	1753.23	1748.98	1293.31
Deferred Tax Liabilities	VIII	47.09	43.97	4.27
Long Term Provisions	IX	60.48	69.11	53.50
Current Liabilities				
Short-Term Borrowings	X	600.74	267.86	449.00
Trade Payables	XI	865.44	718.02	643.55
Other Current Liabilities	XII	306.42	249.01	240.24
Short Term Provisions	XIII	428.57	259.80	251.47
Total		8381.84	6434.14	5159.69
ASSETS				
Non Current Assets				
Property, Plant & Equipment & Intangible Assets				
Property, Plant & Equipment	XIV	3146.01	3145.09	704.80
Capital Work-In-Progress	XIVA	98.98	13.43	874.49
Deferred Tax Assets		0.00	0.00	0.00
Other non Current Assets	XV	19.38	17.64	14.53
Current Assets				
Inventories	XVI	1632.36	1432.13	1418.45
Trade Receivables	XVII	2633.57	1482.38	1445.87
Cash and Cash Equivalents	XVIII	365.25	75.87	80.89
Short-Term Loans and Advances	XIX	485.87	266.94	619.86
Other Current Assets	XX	0.42	0.66	0.79
Total		8381.84	6434.14	5159.69

Restated Summary Statement of Profit and Loss

(Rs.in Lakhs)

Particulars	Annexure	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2022
REVENUE				
Revenue From Operations	XXI	14062.37	9600.66	8313.98
Other Income	XXII	36.29	39.12	19.69
TOTAL INCOME		14098.66	9639.78	8333.66
EXPENSES				
Cost of Materials Consumed	XXIII	9498.89	6565.98	5884.25
Changes in Inventories of Finished Goods and Work in Progress	XXIV	-1.65	31.88	(195.06)
Employee Benefit Expenses	XXV	261.88	203.63	179.20
Finance Costs	XXVI	130.01	145.77	123.66
Depreciation and Amortization Expense	XXVII	492.11	79.04	67.60
Other Expenses	XXVIII	2044.87	1467.08	1316.87
TOTAL EXPENSES		12426.12	8493.37	7376.51
Profit Before Tax		1672.54	1146.40	957.16
Tax Expense:				
Current Tax		426.93	253.69	245.85
Deferred Tax		3.11	39.70	10.43
Profit for the Year		1242.49	853.02	700.88
Earning Per Equity Share:				
Basic		207.08	142.17	116.81
Diluted		207.08	142.17	116.81
Post Right and Bonus Issue		8.63	5.92	4.87

Restated Standalone Summary Statement of Cash Flows

(Rs.in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2022
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Cash flows from operating activities			
Net profit before taxation and extraordinary item	1672.54	1146.40	957.16
Adjustments for :			
Depreciation	492.11	79.04	67.60
Net Loss on Foreign Currency Fluctuations	6.79	(3.32)	(4.65)
Interest Paid	126.36	137.23	123.34
Profit on sale of Fixed Assets	(9.06)	(14.82)	0.00
Restate Interest on Income tax FY 2020-21	0.00	0.00	1.05
Gratuity	(8.36)	16.10	7.30
Adjustment fir recovery of Bad Debts	0.00	0.00	0.00
Interest income	(9.84)	(9.26)	(12.83)
	2270.54	1351.37	1138.96
Operating profit before working capital changes			
Decrease/(Increase) in Trade Receivables	(1151.19)	(36.51)	(415.50)
Decrease/(Increase) in Inventories	(200.22)	(13.68)	(569.46)
Increase/(Decrease) in Trade Payables	147.41	74.48	183.13
Decrease/(Increase) in Other Current Assets	0.24	0.13	(0.57)
Increase/(Decrease) in other Current Liabilities	57.41	8.77	92.91
Decrease/(Increase) in Short Term Advances	(218.93)	352.92	(340.81)
Decrease/(Increase) in Long Term Advances	(1.75)	(3.11)	(0.24)
Cash generated from operations	903.51	1734.37	88.42
Income taxes paid	(258.43)	(245.85)	(142.97)
Net cash from operating activities	645.08	1488.52	(54.55)
Cash flows from investing activities			
Purchase of fixed assets	(490.21)	(1649.51)	(2.77)
Proceeds from Sale of Assets	19.67	19.50	0.00
Capital Work in Progress	(98.98)	(13.43)	(874.49)
Interest Received	9.84	9.26	12.83
Net cash from investing activities	(559.68)	(1634.18)	(864.44)
Cash flows from financing activities			
Proceeds from Share Capital Issued	0.00	0.00	0.00
Proceeds from Short Term Borrowings	332.88	(181.13)	396.49
Proceeds from Long Term Borrowings	4.25	455.68	516.73
Repayment of long-term borrowings	0.00	0.00	0.00
Interest Paid	(126.36)	(137.23)	(123.34)
Net cash used in financing activities	210.76	137.32	789.88
Net increase in cash and cash equivalents	296.16	(8.34)	(129.11)
Cash and cash equivalents at beginning of period	75.87	80.89	205.35
Net Loss on Foreign Currency Fluctuations	(6.79)	3.32	4.65
Cash and cash equivalents at end of period	365.25	75.87	80.89

SECTION – V - GENERAL INFORMATION

Our Company was originally incorporated as “Eureka Products Private Limited” vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur, Rajasthan. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Eureka Conveyor Beltings Private Limited” to “Eureka Conveyor Beltings Limited” vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U25201RJ1993PLC007425.

Our Company was originally promoted by Mr. Ram Babu and Mr. Govind Ram Mittal who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani, Mrs. Bhakti Khubchandani are the present promoters of our Company.

For further details, please refer to chapter titled “*History and Corporate Structure*” beginning on page 151 of this Draft Red Herring Prospectus.

REGISTERED OFFICE

Eureka Conveyor Beltings Limited

F-53, Chambal Industrial Area,
Industrial Estate, Kota-324003, Rajasthan, India

Tel. No.: +91 9351603479

E-mail: info@eurekabeltings.com

Website: www.eurekabeltings.com

Corporate Identification Number: U25201RJ1993PLC007425

Reg. No.: 007425

For details relating to changes to the address of our Registered Office, please see “*History and Corporate Structure - Changes to the address of the Registered Office of our Company*” on page 151 of this Draft Red Herring Prospectus.

MANUFACTURING UNITS

Eureka Conveyor Beltings Limited

Unit I: F-51, 52, Chambal Industrial Area,
Kota-324003, Rajasthan, India

Unit II: Khasra No 117/2, 343/117 &344/132, Village Mukundpura,
Mandana, Kota-325003, Rajasthan

REGISTRAR OF COMPANIES

Registrar of Companies, Rajasthan

Ministry of Corporate Affairs,
C/6-7, 1st Floor, Residency Area, Civil Lines,
Jaipur-302001, Rajasthan

Tel No. : 0141-2981913/2981914/2981915/2981917

Email: roc.jaipur@mca.gov.in

Website: <http://www.mca.gov.in>

DESIGNATED STOCK EXCHANGE

BSE SME

BSE Limited

25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India

Tel No.: 022 – 2272 1233/34
Website: www.bseindia.com

BOARD OF DIRECTORS

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Raj Kumar Khubchandani	Chairman & Whole Time Director	Pent House 1001, Royal Artena, 10 th Floor, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India	00954559
Mr. Bharat Kumar Khubchandani	Managing Director	107, Shakti Nagar, Kota-324009, Rajasthan, India	00954576
Mr. Sumit Khubchandani	Whole Time Director & Chief Financial Officer	Pent House 1001, Royal Artena, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India	00954610
Ms. Nitin Khubchandani	Whole Time Director	Royal Artena, Flat No. 701-702, Plot No. - 658, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan	01374788
Mrs. Bhakti Khubchandani	Whole Time Director	Pent House 1001, Royal Artena, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India	03612379
Mr. Puneet Khubchandani	Whole Time Director	Royal Artena, Flat No. 703-704, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan	03612380
Mr. Atul Sobti	Non-Executive Independent Director	F-497, Vikas Puri, West Delhi, Delhi-110018	06715578
Mr. Suresh Kishnani	Non-Executive Independent Director	Unit No. 1002, 10 th Floor, Jewel of India, Tower G, JLN Marg, Malviya Nagar, Jaipur- 302017, Rajasthan, India	03270986
Mr. Atishay Jain	Non-Executive Independent Director	Jain Bhawan, Station Road, Opposite Natraj Cinema, Kota JN, Kota-324002, Rajasthan, India	10641809

For further details of the Directors of our Company, please refer to the chapter titled “*Our Management*” on page 155 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Prerna Jain

Eureka Conveyor Beltings Limited
F-53, Chambal Industrial Area,
Industrial Estate, Kota-324003, Rajasthan, India
Tel. No.: +91 9351603479
E-mail: compliance@eurekabeltings.com
Website: www.eurekabeltings.com

CHIEF FINANCIAL OFFICER

Mr. Sumit Khubchandani

Eureka Conveyor Beltings Limited
F-53, Chambal Industrial Area,
Industrial Estate, Kota-324003, Rajasthan, India
Tel. No.: +91 9351603479
E-mail: sumit@eurekabeltings.com
Website: www.eurekabeltings.com

Investor Grievances

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

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

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

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

BOOK RUNNING LEAD MANAGER OF THE ISSUE

BEELINE CAPITAL ADVISORS PRIVATE LIMITED

Address: B 1311-1314, Shilp Corporate Park,
Near Rajpath Club, Rajpath Rangoli Road, Sarkhej- Gandhinagar Hwy,
Ahmedabad- 380054, Gujarat, India.

Tel. No.: +91-7948407357

Email: mb@beelinemb.com

Website: www.beelinemb.com

Investor Grievance Email: ig@beelinemb.com

Contact Person: Mr. Nikhil Shah

SEBI Registration No.: INM000012917

LEGAL ADVISOR TO THE ISSUE

ZENITH INDIA LAWYERS

Address: D-49, Sushant Lok III, Sector-57,
Gurugram, Haryana-122003, India

Email Id: raj@zilawyers.com

Tel No.: +91 9899016169

Contact Person: Raj Rani Bhalla

Designation: Managing Partner

Website: www.zilawyers.com

REGISTRAR TO THE ISSUE

KFin Technologies Limited

Address: Selenium Tower-B, Plot 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032, Telangana

Tel. No.: +91 40 6716 2222

Email: eureka.ipo@kfintech.com

Website: www.kfintech.com

Investor Grievance Email: inward.ris@kfintech.com

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221

BANKERS TO THE ISSUE AND REFUND BANKER/SPONSOR BANK

[•]

BANKERS TO THE COMPANY

HDFC Bank Limited

[•]

STATUTORY & PEER REVIEW AUDITOR OF OUR COMPANY

SANJAY KHANDELWAL & ASSOCIATES, Chartered Accountants
Address: 34, Jhalawar Road, Near Allahabad Bank, Kota (Raj.)- 324007
Tel No.:+ 91 99294 22950
Email: skh_ca@yahoo.com
Contact Person: Mr. Sanjay Khandelwal
Membership No.: .036468
Firm Registration No.- 002805C
Peer Review Number: 13973

SANJAY KHANDELWAL & ASSOCIATES, Chartered Accountants hold a peer review certificate dated January 31, 2022 issued by the Institute of Chartered Accountants of India.

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Beeline Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter se allocation of responsibilities among Lead Managers is not required.

SELF CERTIFIED SYNDICATE BANKS (“SCSBS”) AND SYNDICATE SCSB BRANCHES

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf . For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Applicant (other than an UPI Applicants using the UPI mechanism), not applying through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time. Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than UPI Applicants) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

In relation to Applicants (other than Applications by Anchor Investors and RIIs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> , which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE AS ISSUER BANKS FOR UPI MECHANISM AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, UPI Applicants using the UPI mechanism may only apply through the SCSBs and mobile applications (apps) using the UPI handles whose name appears on the SEBI website, which may be updated from time to time. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. A list of SCSBs and mobile applications, which are live for applying public issues using UPI mechanism is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

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

REGISTERED BROKERS

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?And www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm, respectively, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.bseindia.com/products/content/equities/ipo/asba_procedures.htm, or such other websites as updated from time to time. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

BROKERS TO THE ISSUE

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

CREDIT RATING

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

IPO GRADING

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

DEBENTURE TRUSTEES

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

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

FILING OF THE OFFER DOCUMENT

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

The Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus are being filed with BSE Limited, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

A copy of the Red Herring Prospectus/Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed online for registration to the Registrar Of Companies, Rajasthan, Jaipur

APPRAISING ENTITY

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

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERT OPINION

Except for the reports in the section "*Restated Financial Statements*" and "*Statement of Possible Tax Benefits*" on page 179 and page 103 of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

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 in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and in Regional newspaper [●] 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 Beeline Capital Advisors Private Limited.
 - The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE Limited and eligible to act as Underwriters.
 - The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
 - The Registrar to the Issue;
 - The Escrow Collection Banks/ Bankers 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 50% of the Net Offer 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 Offer 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 Offer 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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 223 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 223 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 223 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

BID/OFFER PROGRAM:

Event	Indicative Dates
Bid/ Issue Opening Date	[●]
Bid/ Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer 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 BSE SME 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Offer, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this 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/ Offer 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 Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE ISSUE

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

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the 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 withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

UNDERWRITING

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by [●] in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company and Underwriter – [●], the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten

[●]	Upto 53,28,000 Equity Shares of ₹ 10/- being Issued at ₹ [●] each	[●]	[●]
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*Includes [●] Equity shares of Rs.10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

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

CHANGES IN AUDITORS DURING LAST THREE YEARS

There is no change in the auditors during the last three years immediately preceding the date of this Draft Red Herring Prospectus.

We have authorized our statutory auditor Sanjay Khandelwal & Associates to act as Peer Review Auditor of our Company vide Board Resolution dated July 26, 2024.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	[●]
Correspondence Address:	[●]
Tel No.:	[●]
E-mail:	[●]
Website:	[●]
Contact Person:	[●]
SEBI Registration No.:	[●]

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the 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).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE (BSE SME) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(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.

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE (BSE SME) from time to time).

5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. 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.

6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform BSE i.e. BSE SME from time to time.

7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

9. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

10. 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.

11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

12. 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.

13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Book Running Lead Manager, 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 Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI ICDR Regulations. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

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

15. 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.

16. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

(i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform.

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

17. Punitive Action in case of default by Market Makers: BSE SME 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.

18. 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 ₹20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

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

SECTION VI – CAPITAL STRUCTURE

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

Amount (Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	Authorized Share Capital 2,00,00,000 Equity Shares having Face Value of Rs 10/- each	2000.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue 1,44,00,000 Equity Shares having Face Value of Rs.10/- each issued fully paid up before the Issue.	1440.00	-
C	Present Issue in terms of the Draft Red Herring Prospectus Issue of upto 53,28,000 Equity Shares having Face Value of Rs.10/- each at a price of Rs. [●] per Equity Share.	532.80	[●]
	Which Comprises		
I.	Reservation for Market Maker portion [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
II.	Net Issue to the Public Net Issue to Public of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	[●]	[●]
	of which⁽²⁾		
	At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] 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.	[●]	[●]
D	Issued, Subscribed and Paid-up Equity Share capital after the Issue [●] Equity Shares of Rs. 10/- each	[●]	-
E	Securities Premium Account Before the Issue After the Issue		Nil [●]*

⁽¹⁾The Present Issue of Equity Shares in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 15, 2024 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on July 22, 2024.

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

*The amount disclosed is prior to deduction of Issue expenses.

Class of Shares

As on the date of Draft Red Herring Prospectus Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Red Herring Prospectus.

Details of changes in Authorized Share Capital of our Company:

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

- a) The initial Authorised share capital of our Company was ₹20,00,000 (Twenty Lacs) divided into 2,00,000 (Two Lacs) Equity Shares of ₹10 each. This Authorised capital was increased to ₹40,00,000 (Forty Lacs) divided into 4,00,000 (Four

Lacs) Equity Shares of ₹10 each pursuant to a resolution passed by our Shareholders in Extra-Ordinary General Meeting held on January 27, 2008.

- b) The Authorised share capital of our Company was increased from ₹40,00,000 (Forty Lacs) divided into 4,00,000 (Four Lacs) Equity Shares of ₹10 each to ₹60,00,000 (Sixty Lacs) divided into 6,00,000 (Six Lacs) equity shares of Rs. 10 each pursuant to a resolution passed by our Shareholders in Extra- Ordinary General Meeting held on January 31, 2012.
- c) The Authorised share capital of our Company was increased from ₹₹60,00,000 (Sixty Lacs) divided into 6,00,000 (Six Lacs) equity shares of Rs. 10 each to ₹20,00,00,000 (Twenty Crores) divided into 2,00,00,000 (Two Crores) equity shares of Rs. 10 each pursuant to a resolution passed by our Shareholders in Extra- Ordinary General Meeting held on February 10, 2024.

Notes to Capital Structure

1. Equity Share Capital History of our Company:

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table:

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity	Cumulative Paid-Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation	20	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	20	200	Nil
December 26, 1995	15,000	10	10	Cash	Further Allotment ⁽ⁱⁱ⁾	15,020	1,50,200	Nil
March 21, 2005	1,84,980	10	10	Cash	Further Allotment ⁽ⁱⁱⁱ⁾	2,00,000	20,00,000	Nil
November 25, 2008	2,00,000	10	10	Cash	Further Allotment ^(iv)	4,00,000	40,00,000	Nil
March 30, 2018	2,00,000	10	10	Cash	Right Issue ^(vi)	6,00,000	60,00,000	Nil
April 5, 2024	1,20,000	10	675	Cash	Right Issue ^(vii)	7,20,000	72,00,000	7,98,00,000
April 13, 2024	1,36,80,000	10	Nil	Other Than Cash	Bonus Allotment ^(viii)	1,44,00,000	14,40,00,000	Nil

#Bonus issue of 1,36,80,000 equity shares in the ratio of 19:1 dated April 13, 2024 has been issued by Capitalization of Reserve & Surplus of the Company.

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

Notes:

- (i) Initial Subscribers to the Memorandum of Association subscribed 20 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ram Babu	10
2.	Govind Ram Mittal	10
	Total	20

- (ii) Further allotment of 15,000 Equity Shares of Face Value of Rs. 10/-each fully paid at an Issue price of Rs. 10/- per equity share is as under:

S.No.	Names of Person	Number of Shares Allotted
1.	Raj Kumar Khubchandani	3000
2.	Bharat Kumar Khubchandani	3000
3.	Bhagwanti Khubchandani	3000

4.	Laxmi Khubchandani	3000
5.	Sapna Khubchandani	3000
	Total	15,000

(iii) Further Allotment of 1,84,980 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue price of Rs. 10/- per equity share is as under

S.No.	Names of Person	Number of Shares Allotted
1.	Raj Kumar Khubchandani	24,990
2.	Bharat Kumar Khubchandani	14,990
3.	Bhagwanti Khubchandani	12,000
4.	Laxmi Khubchandani	25,000
5.	Sumit Khubchandani	54,000
6.	Nitin Khubchandani	54,000
	Total	1,84,980

(iv) Further Allotment of 2,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 10- each

S. No.	Names of Person	Number of Shares Allotted
1.	Laxmi Khubchandani	20,000
2.	Sumit Khubchandani	1,00,000
3.	Nitin Khubchandani	80,000
	Total	2,00,000

(v) Right Issue Allotment of 2,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 10/- each

S.No.	Names of Person	Number of Shares Allotted
1.	Puneet Khubchandani	1,00,000
2.	Bhakti Khubchandani	1,00,000
	Total	2,00,000

(vi) Right Issue Allotment of 1,20,000 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 675/- each

S.No.	Names of Person	Number of Shares Allotted
1.	Raj Kumar Khubchandani	5,598
2.	Bharat Kumar Khubchandani	3,598
3.	Bhagwanti Khubchandani	3,000
4.	Laxmi Khubchandani	9,600
5.	Sumit Khubchandani	31,398
6.	Nitin Khubchandani	26,800
7.	Raj Kumar & Sons HUF	2
8.	Puneet Khubchandani	20,002
9.	Bhakti Khubchandani	20,002
	Total	1,20,000

(vii) Bonus Allotment of 1,36,80,000 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 19:1 i.e. 19 Bonus Equity Share for 1 each equity share held

S. No.	Names of Person	Number of Shares Allotted
1.	Raj Kumar Khubchandani	6,38,172
2.	Bharat Kumar Khubchandani	4,10,172
3.	Bhagwanti Khubchandani	3,42,000
4.	Laxmi Khubchandani	10,94,400
5.	Sumit Khubchandani	35,79,372
6.	Nitin Khubchandani	30,55,200

7	Raj Kumar & Sons HUF	228
8	Puneet Khubchandani	22,80,228
9	Bhakti Khubchandani	22,80,228
	Total	1,36,80,000

b) As on the date of the Draft Red Herring Prospectus, our Company does not have any preference share capital.

(2) Issue of Equity Shares for consideration other than cash

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
April 13, 2024	1,36,80,000	10.00	--	Other than Cash – Bonus Issue	Capitalization of Rs reserves	Raj Kumar Khubchandani	6,38,172
						Bharat Kumar Khubchandani	4,10,172
						Bhagwanti Khubchandani	3,42,000
						Laxmi Khubchandani	10,94,400
						Sumit Khubchandani	35,79,372
						Nitin Khubchandani	30,55,200
						Raj Kumar & Sons HUF	228
						Puneet Khubchandani	22,80,228
						Bhakti Khubchandani	22,80,228

- (3) We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- (4) No Equity Shares have been allotted pursuant to any scheme approved under section of 230-234 of Companies Act 2013.
- (5) As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option Scheme / Employees Stock Purchase Scheme.
- (6) The Issue Price shall be decided by our Company in consultation with the Book Running Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Red Herring Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
April 13, 2024	1,36,80,000	10.00	--	Bonus Issue	Yes	Raj Kumar Khubchandani	6,38,172
					Yes	Bharat Kumar Khubchandani	4,10,172
					Yes	Bhagwanti Khubchandani	3,42,000
					Yes	Laxmi Khubchandani	10,94,400
					Yes	Sumit Khubchandani	35,79,372
					Yes	Nitin Khubchandani	30,55,200
					Yes	Raj Kumar & Sons HUF	228
					Yes	Puneet Khubchandani	22,80,228
					Yes	Bhakti Khubchandani	22,80,228

(7) Our Shareholding Pattern

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 the Draft Red Herring Prospectus:

I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	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	
								Classes	No of Voting Rights	Total			Total as a % of (A+B+ C)	No. (a)	As a Sha % of total res held (b)	No. (a)		As a % of total Shares held (b)
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV	
(A)	Promoter & Promoter Group	8	1,44,00,000	-	-	1,44,00,000	100.00	1,44,00,000	1,44,00,000	100.00	-	100.00	-	-	-	-	1,44,00,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	8	1,44,00,000	-	-	1,44,00,000	100.00	1,44,00,000	1,44,00,000	100.00	-	100.00	-	-	-	-	1,44,00,000	

*As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights					Total as a % of (A+B+C)	No.	As a % of total shares held (b)	No.		As a % of total shares held (b)
								Class eg: X	Class eg: y	Total								
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
1	Raj Kumar Khubchandani	1	6,71,760	-	-	6,71,760	4.66	6,71,760	-	6,71,760	4.66	-	4.66	-	-	-	-	6,71,760
2	Bharat Kumar Khubchandani	1	4,31,760	-	-	4,31,760	3.00	4,31,760	-	4,31,760	3.00	-	3.00	-	-	-	-	4,31,760
3	Sumit Khubchandani	1	37,68,000	-	-	37,68,000	26.17	37,68,000	-	37,68,000	26.17	-	26.17	-	-	-	-	37,68,000
4	Nitin Khubchandani	1	32,16,000	-	-	32,16,000	22.33	32,16,000	-	32,16,000	22.33	-	22.33	-	-	-	-	32,16,000
5	Puneet Khubchandani	1	3,216,000	-	-	3,216,000	22.33	3,216,000	-	3,216,000	22.33	-	22.33	-	-	-	-	3,216,000
6	Bhakti Khubchandani	1	24,00,240	-	-	24,00,240	16.67	24,00,240	-	24,00,240	16.67	-	16.67	-	-	-	-	24,00,240
7	Bhagwanti Khubchandani	1	3,60,000	-	-	3,60,000	2.50	3,60,000		3,60,000	2.50		2.50	-	-			3,60,000
8	Laxmi Khubchandani	1	3,36,240	-	-	3,36,240	2.34	3,36,240		3,36,240	2.34		2.34	-	-			3,36,240
(b)	Central Government/ State	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Government(s)																	
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other – Body Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	8	1,44,00,000	-	-	1,44,00,000	100.00	1,44,00,000	-	1,44,00,000	100.00	-	100.00	-	-	-	-	1,44,00,000
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A)(2)	8	1,44,00,000	-	-	1,44,00,000	100.00	1,44,00,000	-	1,44,00,000	100.00	-	100.00	-	-	-	-	1,44,00,000
	Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A																	

Table III - Statement showing shareholding pattern of the Public shareholder

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Total as a % of	No of shares Underlying Outstanding	Shareholding, as a % assuming full conversion of convertible	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in	
								Class eg: X	No of Voting Rights (XIV)	Class eg:y				Total as a % of	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
(B1)	Institutions (Domestic)																		
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(B2)	Institutions (Foreign)																		
(a)	Foreign Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

	Investment																		
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors Category II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B3)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B4)	Non-institutions																		
(a)	Associate Companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoter (other than 'immediate relatives' of promoters)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	disclosed under 'Promoter and Promoter Group' category)																		
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Resident Individuals holding share capital in excess of ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Non-Resident Indians (NRIs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(m)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+ (B)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A																			
Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A																			

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) 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 eg: X	Class eg:y	Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)																	

Table V - Statement showing details of significant beneficial owners

Sr No	Details of the significant beneficial owner (I)			Details of the registered owner (II)			Particulars of the shares in which significant beneficial interest is held by the beneficial owner (III)		Date of creation/acquisition of significant beneficial interest (IV)
	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	
N/A									

(8) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Raj Kumar Khubchandani	6,71,760	4.66
2.	Bharat Kumar Khubchandani	4,31,760	3.00
3.	Bhagwanti Khubchandani	3,60,000	2.50
4.	Laxmi Khubchandani	3,36,240	2.34
5.	Sumit Khubchandani	37,68,000	26.17
6.	Nitin Khubchandani	32,16,000	22.33
7.	Puneet Khubchandani	32,16,000	22.33
8.	Bhakti Khubchandani	24,00,240	16.67
	Total	1,44,00,000	100.00

(9) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 1each)	% shares held (% Pre Issue paid up Capital)*
1.	Raj Kumar Khubchandani	27,980	4.66
2.	Bharat Kumar Khubchandani	17,970	3.00
3.	Bhagwanti Khubchandani	15,000	2.50
4.	Laxmi Khubchandani	48,000	8.00
5.	Sumit Khubchandani	1,56,990	26.17
6.	Nitin Khubchandani	1,34,000	22.33
7.	Puneet Khubchandani	1,00,010	16.67
8.	Bhakti Khubchandani	1,00,010	16.67
	Total	5,99,960	100.00

*Details of shares held on March 31, 2022 and percentage held has been calculated based on paid up capital of our Company as on March 31, 2022.

(10) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 1each)	% shares held (% Pre Issue paid up Capital)^
1.	Raj Kumar Khubchandani	27,980	4.66
2.	Bharat Kumar Khubchandani	17,970	3.00
3.	Bhagwanti Khubchandani	15,000	2.50
4.	Laxmi Khubchandani	48,000	8.00
5.	Sumit Khubchandani	1,56,990	26.17
6.	Nitin Khubchandani	1,34,000	22.33
7.	Puneet Khubchandani	1,00,010	16.67
8.	Bhakti Khubchandani	1,00,010	16.67
	Total	5,99,960	100.00

^Details of shares held on March 31, 2023 and percentage held has been calculated based on paid up capital of our Company as on March 31, 2023.

(11) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Raj Kumar Khubchandani	6,71,760	4.66
2.	Bharat Kumar Khubchandani	4,31,760	3.00
3.	Bhagwanti Khubchandani	3,60,000	2.50
4.	Laxmi Khubchandani	3,36,240	2.34

5.	Sumit Khubchandani	37,68,000	26.17
6.	Nitin Khubchandani	32,16,000	22.33
7.	Puneet Khubchandani	32,16,000	22.33
8.	Bhakti Khubchandani	24,00,240	16.67
	Total	1,44,00,000	100.00

(12) Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing the Draft Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Raj Kumar Khubchandani	November 2, 2023	Promoter, Chairman & Whole Time Director	10	--	Acquired
2.	Bharat Kumar Khubchandani	November 2, 2023	Promoter & Managing Director	20	--	Acquired
3.	Raj Kumar Khubchandani	April 5, 2024	Chairman, Promoter & Whole Time Director	5598	--	Right Issue
4.	Bharat Kumar Khubchandani		Promoter & Managing Director	3598	--	
5.	Bhagwanti Khubchandani		Promoter Group	3000	--	
6.	Laxmi Khubchandani		Promoter Group	9600	--	
7.	Sumit Khubchandani		Promoter & Whole Time Director	31398	--	
8.	Nitin Khubchandani		Promoter & Whole Time Director	26800	--	
9.	Puneet Khubchandani		Promoter & Whole Time Director	20002	--	
10.	Bhakti Khubchandani		Promoter & Whole Time Director	20002	--	
11.	Raj Kumar Khubchandani	April 13, 2024	Chairman, Promoter & Whole Time Director	638172	--	Bonus Issue
12.	Bharat Kumar Khubchandani		Promoter & Managing Director	410172	--	
13.	Bhagwanti Khubchandani		Promoter Group	342000	--	
14.	Laxmi Khubchandani		Promoter Group	1094400	--	
15.	Sumit Khubchandani		Promoter & Whole Time Director	3579372	--	
16.	Nitin Khubchandani		Promoter & Whole Time Director	3055200	--	
17.	Puneet Khubchandani		Promoter & Whole Time Director	2280228	--	
18.	Bhakti Khubchandani		Promoter & Whole Time Director	2280228	--	
19.	Sumit Khubchandani	April 26, 2024	Promoter & Whole Time Director	240	--	Acquired by way of gift
20.	Laxmi Khubchandani	May 10, 2024	Promoter Group	--	815760	Transferred

21.	Puneet Khubchandani	May 10, 2024	Promoter & Whole Time Director	815760	--	Acquired by way of gift
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(13) None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Raj Kumar Khubchandani	Promoter, Chairman & Whole Time Director	6,71,760
Bharat Kumar Khubchandani	Promoter & Managing Director	4,31,760
Sumit Khubchandani	Promoter, Whole Time Director & CFO	37,68,000
Nitin Khubchandani	Promoter & Whole Time Director	32,16,000
Puneet Khubchandani	Promoter & Whole Time Director	32,16,000
Bhakti Khubchandani	Promoter & Whole Time Director	24,00,240

(14) **Capital Build up in respect of shareholding of our Promoter:**

As on date of the Draft Red Herring Prospectus, our promoter Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani holds 1,37,03,760 Equity Shares constituting 95.16% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)	Pre-Issue Shareholding %	Post-Issue Shareholding %
Raj Kumar Khubchandani						
September 25, 1994	Acquired through Transfer ⁽ⁱ⁾	10	10.00	10.00	Negligible	[●]
December 26, 1995	Further Allotment	3,000	10.00	10.00	0.02	[●]
March 21, 2005	Further Allotment	24,990	10.00	10.00	0.17	[●]
December 1, 2011	Transfer ⁽ⁱⁱ⁾	(20)	10.00	10.00	Negligible	[●]
November 2, 2023	Acquired through Transfer ⁽ⁱⁱⁱ⁾	10	10.00	550.00	Negligible	[●]
April 5, 2024	Right Issue	5,598	10.00	675.00	0.04	[●]
April 13, 2024	Bonus Issue	6,38,172	10.00	--	4.43	[●]
Total A		6,71,760			4.66	[●]
Bharat Kumar Khubchandani						
September 25, 1994	Acquired through Transfer ^(iv)	10	10.00	10.00	Negligible	[●]
December 26, 1995	Further Allotment	3,000	10.00	10.00	0.02	[●]
March 21, 2005	Further Allotment	14,990	10.00	10.00	0.10	[●]
March 28, 2005	Transfer ^(v)	(10)	10.00	10.00	Negligible	[●]
November 25, 2008	Transfer ^(vi)	(10)	10.00	10.00	Negligible	[●]
December 1, 2011	Transfer ^(vii)	(10)	10.00	10.00	Negligible	[●]
September 30, 2014	Transfer ^(viii)	(10)	10.00	10.00	Negligible	[●]
March 20, 2017	Acquisition of shares by way of gift ^(ix)	10	10.00	--	Negligible	[●]
November 2, 2023	Acquired through Transfer ^(x)	20	10.00	550.00	Negligible	[●]
April 5, 2024	Right Issue	3,598	10.00	675.00	0.02	[●]
April 13, 2024	Bonus Issue	4,10,172	10.00	--	2.85	[●]
Total B		4,31,760			3.00	[●]
Sumit Khubchandani						
March 21, 2005	Further Allotment	54,000	10.00	10.00	0.38	[●]
November 25, 2008	Further Allotment	1,00,000	10.00	10.00	0.69	[●]
September 16, 2013	Transfer ^(xi)	(1)	10.00	10.00	Negligible	[●]
September 30, 2014	Transfer ^(xii)	(10)	10.00	10.00	Negligible	[●]
March 20, 2017	Acquisition of shares by way of gift ^(xiii)	3000	10.00	--	0.02	[●]
March 20, 2017	Acquired through Transfer ^(xiv)	1	10.00	10.00	Negligible	[●]
April 5, 2024	Right Issue	31,398	10.00	675.00	0.22	[●]

April 13, 2024	Bonus issue	35,79,372	10.00	--	24.86	[●]
April 26, 2024	Acquisition of shares by way of gift ^(xv)	240	10.00	--	Negligible	[●]
Total C		37,68,000			26.17	[●]
Nitin Khubchandani						
March 21, 2005	Further Allotment	54,000	10.00	10.00	0.38	[●]
November 25, 2008	Further Allotment	80,000	10.00	10.00	0.56	[●]
April 5, 2024	Right Issue	26,800	10.00	675.00	0.19	[●]
April 13, 2024	Bonus Issue	30,55,200	10.00	--	21.22	[●]
Total D		32,16,000			22.33	[●]
Puneet Khubchandani						
September 30, 2014	Acquired through Transfer ^(xvi)	10	10.00	10.00	Negligible	[●]
March 30, 2018	Right Issue	1,00,000	10.00	10.00	0.69	[●]
April 5, 2024	Right Issue	20,002	10.00	675.00	0.14	[●]
April 13, 2024	Bonus Issue	22,80,228	10.00	--	15.83	[●]
May 10, 2024	Acquisition of shares by way of gift ^(xvii)	8,15,760	10.00	--	5.67	[●]
Total E		32,16,000			22.33	[●]
Bhakti Khubchandani						
September 30, 2014	Acquired through Transfer ^(xviii)	10	10.00	10.00	Negligible	[●]
March 30, 2018	Right Issue	1,00,000	10.00	10.00	0.69	[●]
April 5, 2024	Right Issue	20,002	10.00	675.00	0.14	[●]
April 13, 2024	Bonus Issue	22,80,228	10.00	--	15.83	[●]
Total F		24,00,240			16.67	[●]
Total (A+B+C+D)		1,37,03,760			95.17	

(i) Details of Share acquired through transfer by Raj Kumar Khubchandani dated September 25, 1994

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	September 25, 1994	Ram Babu	10	Raj Kumar Khubchandani
Total			10	

(ii) Details of Share transfer by Raj Kumar Khubchandani dated December 1, 2011

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	December 1, 2011	Raj Kumar Khubchandani	10	Harsha Chetwani
			10	Parmeshwari Devi
Total			20	

(iii) Details of Share acquired through transfer by Raj Kumar Khubchandani dated November 2, 2023

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	November 2, 2023	Harsha Chetwani	10	Raj Kumar Khubchandani
Total			10	

(iv) Details of Share acquired through transfer by Bharat Kumar Khubchandani dated September 25, 1994

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	September 25, 1994	Govind Ram Mittal	10	Bharat Kumar Khubchandani

Total			10	

(v) Details of Share transfer by Bharat Kumar Khubchandani dated March 28, 2005

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 28, 2005	Bharat Kumar Khubchandani	10	Raj Kumar and Sons HUF
Total			10	

(vi) Details of Share transfer by Bharat Kumar Khubchandani dated November 25, 2008

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	November 25, 2008	Bharat Kumar Khubchandani	10	Kamlesh Tulsidas Gangwani
Total			10	

(vii) Details of Share transfer by Bharat Kumar Khubchandani dated December 1, 2011

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	December 1, 2011	Bharat Kumar Khubchandani	10	Pushpa Gangwani
Total			10	

(viii) Details of Share transfer by Bharat Kumar Khubchandani dated September 30, 2014

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	September 30, 2014	Bharat Kumar Khubchandani	10	Puneet Khubchandani
Total			10	

(ix) Details of acquisition of shares by way of gift by Bharat Kumar Khubchandani dated March 20, 2017

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 20, 2017	Parmeshwari Devi	10	Bharat Kumar Khubchandani
Total			10	

(x) Details of shares acquired through transfer by Bharat Kumar Khubchandani dated November 2, 2023

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	November 2, 2023	Kamlesh Tulsidas Gangwani	10	Bharat Kumar Khubchandani
2.		Pushpa Gangwani	10	
Total			20	

(xi) Details of Share transfer by Sumit Khubchandani dated September 16, 2013

S. No.	Date of Transfer	Name of Transferor	No. of shares	Name of Transferee
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				Transfer	
1.	September 16, 2013	Sumit Khubchandani		1	Suresh Chandra Bansal
Total				1	

(xii) Details of Share transfer by Sumit Khubchandani dated September 30, 2014

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	September 30, 2014	Sumit Khubchandani	10	Bhakti Khubchandani
Total			10	

(xiii) Details of acquisition of shares by way of gift by Sumit Khubchandani dated March 20, 2017

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 20, 2017	Sapna Malani	3000	Sumit Khubchandani
Total			3000	

(xiv) Details of shares acquired through transfer by Sumit Khubchandani dated March 20, 2017

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 20, 2017	Suresh Chandra Bansal	1	Sumit Khubchandani
Total			1	

(xv) Details of acquisition of shares by way of gift by Sumit Khubchandani dated April 26, 2024

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	April 26, 2024	Raj Kumar and Sons HUF	240	Sumit Khubchandani
Total			240	

(xvi) Details of shares acquired through transfer by Puneet Khubchandani dated September 30, 2014

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	September 30, 2014	Bharat Kumar Khubchandani	10	Puneet Khubchandani
Total			10	

(xvii) Details of acquisition of shares by way of gift by Puneet Khubchandani dated May 10, 2024

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	May 10, 2024	Laxmi Khubchandani	8,15,760	Puneet Khubchandani
Total			8,15,760	

(xviii) Details of shares acquired through transfer by Bhakti Khubchandani dated September 30, 2014

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	May 10, 2024	Sumit Khubchandani	10	Bhakti Khubchandani
Total			10	

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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Raj Kumar Khubchandani	6,71,760	6.05
Bharat Kumar Khubchandani	4,31,760	6.07
Sunit Khubchandani	37,68,000	6.03
Nitin Khubchandani	32,16,000	6.04
Puneet Khubchandani	32,16,000	4.51
Bhakti Khubchandani	24,00,240	6.04

*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

(16) Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/ (Sold)	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
April 5, 2024	5598	10.00	675	Right Issue	Cash	Raj Kumar Khubchandani	Chairman, Promoter & Whole Time Director
	3598	10.00	675			Bharat Kumar Khubchandani	Promoter & Managing Director
	3000	10.00	675			Bhagwanti Khubchandani	Promoter Group
	9600	10.00	675			Laxmi Khubchandani	Promoter Group
	31398	10.00	675			Sumit Khubchandani	Promoter & Whole Time Director
	26800	10.00	675			Nitin Khubchandani	Promoter & Whole Time Director
	20002	10.00	675			Puneet Khubchandani	Promoter & Whole Time Director
	20002	10.00	675			Bhakti Khubchandani	Promoter & Whole Time Director
April 13, 2024	638172	10.00	--	Bonus Issue	Other than Cash	Raj Kumar Khubchandani	Chairman, Promoter & Whole Time Director
	410172	10.00	--			Bharat Kumar Khubchandani	Promoter & Managing Director
	342000	10.00	--			Bhagwanti Khubchandani	Promoter Group
	1094400	10.00	--			Laxmi Khubchandani	Promoter Group
	3579372	10.00	--			Sumit Khubchandani	Promoter & Whole Time Director

	3055200	10.00	--			Nitin Khubchandani	Promoter & Whole Time Director
	2280228	10.00	--			Puneet Khubchandani	Promoter & Whole Time Director
	2280228	10.00	--			Bhakti Khubchandani	Promoter & Whole Time Director
April 26, 2024	240	10.00	--	Acquisition of shares by way of gift	--	Sumit Khubchandani	Promoter & Whole Time Director
May 10, 2024	(815760)	10.00	--	Transfer of shares through gift	--	Laxmi Khubchandani	Promoter Group
May 10, 2024	815760	10.00	--	Acquisition of shares by way of gift	--	Puneet Khubchandani	Promoter & Whole Time Director

*The maximum and minimum price at which the aforesaid transaction was made is Rs.675 and nil per Equity Share.

(17) Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Red Herring Prospectus is as below: -

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Raj Kumar Khubchandani	6,71,760	4.66	6,71,760	[●]
2.	Bharat Kumar Khubchandani	4,31,760	3.00	43,1,760	[●]
3.	Sumit Khubchandani	37,68,000	26.17	37,68,000	[●]
4.	Nitin Khubchandani	32,16,000	22.33	32,16,000	[●]
5.	Puneet Khubchandani	32,16,000	22.33	32,16,000	[●]
6.	Bhakti Khubchandani	24,00,240	16.67	24,00,240	[●]
	TOTAL (A)	1,37,03,760	95.16	1,37,03,760	[●]
	Promoter Group				
1.	Bhagwanti Khubchandani	3,60,000	2.50	3,60,000	[●]
2.	Laxmi Khubchandani	3,36,240	2.34	3,36,240	[●]
	TOTAL (B)	6,96,240	4.84	6,96,240	[●]
	GRAND TOTAL (A+B)	1,44,00,000	100.00	1,44,00,000	[●]

(18) Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Sumit Khubchandani								
April 13, 2024	April 13, 2024	Bonus Issue	10,00,000	10.00	--	6.94	[●]	3 Years
Nitin Khubchandani								
April 13, 2024	April 13, 2024	Bonus Issue	10,00,000	10.00	--	6.94	[●]	3 Years
Puneet Khubchandani								
April 13, 2024	April 13, 2024	Bonus Issue	10,00,000	10.00	--	6.94	[●]	3 Years
Bhakti Khubchandani								
April 13, 2024	April 13, 2024	Bonus Issue	10,00,000	10.00	--	6.94	[●]	3 Years
		Total	40,00,000			27.78	[●]	

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 and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

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

Our Promoter Sumit Khubchandani, Nitin Khubchandani, Puneet Khubchandani, Bhakti Khubchandani have by a written undertaking, consented to have 40,00,000 Equity Shares held by him to be locked in as Minimum Promoter Contribution for a period of three years from the date of allotment in this Issue and will not be disposed /sold/transferred by the promoter during the period starting from the date of filing this Draft Red Herring Prospectus with SME Platform of BSE (BSE SME) till the date of commencement of lock-in period as stated in this Draft Red Herring Prospectus. The Equity Shares under the Promoters contribution will constitute [●] % of our post-Issue paid up share capital.

Our Promoter has also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237 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 which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u>
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. <u>Hence Eligible</u>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds 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 or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	The minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter’s has not Pledged any shares with any creditors. Accordingly, the minimum Promoter’s contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>

Details of Share Capital Locked in For One Year

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members and Public holding 1,04,00,000 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

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:

- a) In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution 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.
- b) In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company 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) None of our Promoter, Promoter Group, 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 Draft Red Herring Prospectus.
- (20) Neither, we nor our Promoter, Directors and the Book Running Lead Manager 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.
- (21) As on the date of filing of the Draft 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 Issue.
- (22) As on the date of the Draft Red Herring Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
- (23) Our Company has not raised any bridge loan against the proceeds of the Issue.
- (24) Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
- (25) As on the date of the Draft Red Herring Prospectus, none of the shares held by our Promoter / Promoters Group are subject to any pledge.
- (26) The Lead Manager i.e. Beeline Capital Advisors Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Red Herring Prospectus.
- (27) We hereby 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 the Draft Red Herring Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
- (28) Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares

(including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments

- (29) None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
- (30) An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock-in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- (31) 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 i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
- (32) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
- (33) The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
- (34) The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
- (35) At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- (36) Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
- (37) As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme/ / Employees Stock Purchase Scheme.
- (38) There are no Equity Shares against which depository receipts have been issued.
- (39) Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Red Herring Prospectus.
- (40) We have 8 (Eight) Shareholders as on the date of filing of the Draft Red Herring Prospectus.
- (41) There are no safety net arrangements for this Public Issue.
- (42) Our Promoter and Promoter Group will not participate in this Issue.
- (43) This Issue is being made through Book Building Method.
- (44) Except as disclosed in the Draft Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Red Herring Prospectus.
- (45) No person connected with the Issue shall issue 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.
- (46) We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

SECTION VII – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue includes a public Issue of 53,28,000 Equity Shares of our Company at an Issue Price of [●] per Equity Share.

Requirement of Funds: -

We intend to utilize the net proceeds of the Issue to meet the following objects: -

1. Funding capital expenditure requirement of our company
2. Funding Working Capital Requirement of our Company
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 BSE Limited (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA). Further the objects clause and objects incidental and ancillary to the main objects clause of our Subsidiary, enables to undertake their existing business activities

Proceeds of the Issue:

The details of the proceeds from the Issue are provided in the following table:

Particulars	Amt. (₹ in Lakhs)
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses*	[●]
Net Issue Proceeds*	[●]

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

Utilization of Funds:

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Size
1.	Funding capital expenditure requirement of our company	3000.35	[●]
2.	Funding Working Capital Requirement of our Company	900.00	[●]
3.	General Corporate Expenses*	[●]	[●]
Net Issue Proceeds		[●]	[●]

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

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:
(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2024-25*	Amount to be deployed and utilized in F.Y. 2025-26*
1.	Funding capital expenditure requirement of our company	1411.39	1588.96
2.	Funding Working Capital Requirement of our Company	900.00	--
3.	General Corporate Purpose	[●]	[●]
Total		[●]	[●]

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

Object.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Draft Red Herring Prospectus.

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 23 of the Draft Red Herring Prospectus.

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

Particulars	Amt. (₹ in Lakhs)
Net 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.

Details of the Objects:

1. Funding capital expenditure requirement of our company

Our company is in the business of manufacturing and exporting a wide range of quality conveyor rubber belts, industrial rubber belts, industrial conveyor beltings, heat resistant conveyor belts etc. We aim to continue investing in our existing plant & machinery to maintain competitiveness, improve operational efficiency, and support growth. As part of such investment, we will incur expenditure towards the purchase of various types of plant & machinery as mentioned in the table below.

Accordingly, our Company has identified the plant & machinery to be purchased and obtained quotations from respective vendors and is yet to place any orders or enter into any definitive agreements for such plant & machinery. No second-hand or used plant & machinery are proposed to be purchased out of the Net Proceeds. The amount to be spent and plant & machinery to be procured by our Company will depend upon business requirements. Our Company proposes to use Net Issue Proceeds to the extent to Rs. 3000.35 Lakhs to meet capital expenditure requirement of the company. The details and total estimated cost towards purchasing plant & machinery for the capital expenditure are set forth in the table below.

I. Production Line of 2400 MM wide conveyor belts:

A. Plant and Machinery

Sr. No.	List of work & activity	Purpose/Descriptions	Source/vendor	Amount	Quotation Date	Validity Date
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1	Hyd. Press (2600 X 6500)	i. This is a conveyor belt curing machine, ii) Size- 2600 mm X 6500 mm, iii) Single daylight, iv) Belt curing Capacity- (width- 1600 mm to 2400 mm)	Woodmac Industries	3,48,00,000.00	25-Jul-24	24-Oct-24
2	EOT 15 ton & EOT 12.5 ton & Goods Lift 5'x5'	For material handling, loading & unloading, Capacity- 15 Ton & 12.5 Ton & Goods Lift Capacity 2 Ton (G + 2) Size 5 Feet X 5 Feet	Indian material handling corp.	46,60,000.00	20-Jul-24	16-Jan-25
3	36 X 36 shed 1st floor extension	Increasing the storage capacity of Raw materials	GMR infra	29,49,000.00	23-Jul-24	22-Jan-25
4	SUPERMIX DISPERSION KNEADER MACHINE- 125 LTR FOR RUBBER	Increasing the compound mixing capacity. (Approx. - 325 ton/ month)	Extrutech India	31,50,000.00	20-Jul-24	16-Jan-25
5	Mixing mill 26" X 84" (2 Sets)	One machine is essential for the compound mixing Process, second machine for compound warming and calender feeding process	Kelachandra machines	1,38,00,000.00	10-Aug-24	Till Availability or 9-Feb-2025, whichever is earlier
6	R.C.B CALANDER MACHINE 3 Roll (2600 mm)	this machine is required to make 2400 mm green belt	Woodmac Industries	3,50,00,000.00	02-Aug-24	01-Nov-24
7	Belt Building machine (1+2+1)	This machine is essential for wide width green belt preparation Process	Woodmac Industries	68,00,000.00	23-Jul-24	22-Oct-24
TOTAL (A)				10,11,59,000		

B. Imported Machinery

Sr. No.	List of work & activity	Purpose/Descriptions	Source/vendor	Amount	Quotation Date	Validity Date
1.	Pin-barrel cold feed extruder XJD-200x14D	This machine is essential for the ready compound warming and calender feeding Process	Dalian Huahan Rubber & Plastic Machinery CO.,LTD	\$1,42,800.00	02-Aug-24	01-Nov-24
2.	Basic Custom Duty and SWS	7.5%+(10% of Basic Custom Duty) = 8.25%		\$11,781.00		
3.	Miscellaneous Cost	Machine Quote FOB Dalian, China	Shipping Line & Clearing Expenses, & Transportation cost	\$10,000.00		
Total in (In \$ Dollar)				1,64,581		
Exchange Rate as on Aug 3, 2024 (Source www.xe.com)				83.78		
Total (₹) Rounded off (B)				₹1,38,00,000		

C. Set-up and Installation Cost

For certain components of the plant and machinery, as well as related installation work, quotations are not available since most machines will be fabricated in-house by specialized engineers. Therefore, based on prevailing market rates and professional expertise, the following estimated cost breakdown is provided below:

Sr. No.	List of work & activity	Purpose/Descriptions	Source	Amount
1.	Repair press (2600 X 1000)	This machine is essential for wide width belt	Inhouse/Sub	24,00,000.00

	mm)	Repairing Process	contract	
2.	Chequered plate	Increasing the storage capacity of Raw materials (mezzanine floor)	Inhouse/Sub contract	8,00,000.00
3.	Batch off unit (16 mtrs)	This machine is essential for the compound cooling Process	Inhouse/Sub contract	28,00,000.00
4.	Cooling Drum	for cooling propose	Inhouse/Sub contract	4,50,000.00
5.	Feeding conveyors	Feeding	Inhouse/Sub contract	7,00,000.00
6.	Mill Feeding conveyor	Feeding	Inhouse/Sub contract	3,50,000.00
7.	Let off & Wind up (06 Set)	For conveyor belt winding & unwinding. (Press 2600 X 6500-2 set, Repair Press 2600 X 1000- 2 set, Cal. 2600 mm- 2 set)	Inhouse/Sub contract	37,80,000.00
8.	Let off, Wind up side supporting roller & Stand	Press 2600mm & Cal. 2600 mm	Inhouse/Sub contract	3,50,000.00
9.	Civil work (Foundation, Pit)	Press 2600mm & Cal. 2600 mm	Inhouse/Sub contract	12,50,000.00
10.	Utility connection	Press 2600, Repair press 2600, B/B, KND 125L, Mixing mill- 2nos, Batch off unit & Cal. 2600	Inhouse/Sub contract	13,50,000.00
11.	Installation cost (Mech. & Ele.)	Press 2600, Repair press 2600, B/B, KND 125L, Mixing mill- 2nos, Batch off unit & Cal. 2600	Inhouse/Sub contract	24,50,000.00
12.	Transportation Charges	Various Transportation Charges for machines/project related	Various Transportation Charge related to Project	30,00,000.00
13.	Miscellaneous	Process tools, lab equipment's, L.T. sub station etc	Various cost to Project	65,00,000.00
TOTAL (C)				2,61,80,000.00

The above set-up and installation cost is certified by chartered Engineers certificate dated August 13, 2024

Total Estimated Cost:

Total Cost with Quotations (A) (in Rs.)	₹10,11,59,000.00
Total Cost Imported Plant and Machinery (B) (in Rs.)	₹1,38,00,000.00
Total Estimated Cost without Quotations (C) (in Rs.)	₹ 2,61,80,000.00
Grand Total Estimated Cost	₹ 14,11,39,000.00
Total (in Lakhs)	₹ 1411.39

II. Production Line II of 1000 MM conveyor belts with Double Daylight

A. Plant and Machinery

Sr. No.	List of work & activity	Purpose/Descriptions	Source/vendor	Amount	Quotation Date	Validity Date
1	11D Banbury	increasing the compound mixing capacity. (Approx.- 650 ton/ month)	Kelachandra machines	1,65,00,000.00	10-Aug-24	Till Availability or 9-Feb-2025, whichever is earlier
2	Mixing mill 26" X 84"	This machine is essential for the compound mixing Process for Banbury feeding	Kelachandra machines	69,00,000.00	10-Aug-24	Till Availability or 9-Feb-2025, whichever is earlier

3	Complete shed with raw material godown (G + 2)	FOR mixing section & storage of Raw Material	GMR infra	1,80,18,200.00	20-Jul-24	19-Oct-24
4	Lift Goods Lift Capacity 2 Ton (G + 2) Size 5 Feet X 5 Feet	For raw material handling for banbury machine	Indian material handling corp.	6,80,000.00	20-Jul-24	16-Jan-25
5	HYDRAULIC PRESS FOR RUBBER CONVEYOR BELT WITH EDGE IRON (1250 X 15300 mm) double daylight	i. This is a conveyor belt curing machine, ii) Size- 1250 mm X 15300 mm, iii) Double daylight, iv) Belt curing Capacity- (width- 600 mm to 1000 mm)	Woodmac Industries	4,45,00,000.00	02-Aug-24	01-Nov-24
6	ROLL RUBBER CALENDAR SIZE 16"x48" UNI DRIVE L MODEL Including Motor & Control panel	This machine is required to make 600 to 1000 mm green belt	Premier	62,35,000.00	19-Jul-24	17-Jan-25
7	5000 Kg/Hr. Multimax Series Boiler	MULTI-TUBULAR PACKAGE WATER CUM SMOKE TUBE, THREE PASS BOILER	Steamtech	32,00,000.00	19-Jul-24	03-Jan-25
8	ACE-15XW MODEL CRANE	HEIGHT-36 FEET, For Material handling	Action Construction Equipment Ltd.	20,00,000.00	05-Aug-24	03-Feb-25
9	Diesel 3Ton Forklift	Material handling	Kota earthmovers	10,18,750.00	20-Jul-24	17-Nov-24
10	Roto cure (1000 X 1700) with Steel Belt	This machine is essential for making rubber sheet	Pragma solutions	98,00,000.00	19-Jul-24	18-Jan-25
11	PLC CONTROLLED HYDRAULIC PRESS FOR RUBBER CONV. BELT (2 no's)	This Machine is required to make side wall type Clitted Belt	Woodmac Industries	1,00,00,000.00	23-Jul-24	22-Oct-24
12	Transformer 1600 kva	1600 KVA STD type transformer	UTTAM BHARAT ELECTRICAL PVT LTD	25,50,000.00	17-Jul-24	16-Nov-24
13	500 KVA 3 Phase CPCB-IV Silent DG Set with STD Panel	D.G. 500 KVA (Greaves Cotton)	DIESEL SALES AND SERVICE	33,68,000.00	16-Jul-24	15-Jan-25
14	Gardner Denver Oil Injected Screw Air Compressor 37 W	Compressor 250 CFM	GREWSYS TECHNOLOGIES PVT. LTD	11,61,000.00	16-Jul-24	12-Jan-25
TOTAL (A)				12,59,30,950.00		

B. Set-up and Installation Cost:

For certain components of the plant and machinery, as well as related installation work, quotations are not available since most machines will be fabricated in-house by specialized engineers. Therefore, based on prevailing market rates and professional

expertise, the following estimated cost breakdown is provided below:

Sr. No.	List of work & activity	Purpose/Descriptions	Source	Amount
1.	Repair press (1250 X 800 mm)	This machine is essential for width- 600 mm to 1000 mm belt Repairing Process	Inhouse/Sub contract	12,00,000.00
2.	Batch off unit (20 mtrs)	This machine is essential for the compound cooling Process	Inhouse/Sub contract	32,00,000.00
3.	Banbury feeding system	Feeding	Inhouse/Sub contract	5,00,000.00
4.	Carbon feeding system	Feeding	Inhouse/Sub contract	9,50,000.00
5.	Oil storage tank	-	Inhouse/Sub contract	3,50,000.00
6.	Cooling Drum	For cooling propose	Inhouse/Sub contract	3,50,000.00
7.	Let off & wind up (8 set)	For conveyor belt winding & unwinding (Press 1250 X 15300- 4 Set, Repair press 1250 X 800- 2 Set, Cal. 1220- 2 Set	Inhouse/Sub contract	50,40,000.00
8.	Let off & Wind up side supporting roller & Stand	For Press 1250 X 15300 & Cal. 1220	Inhouse/Sub contract	5,75,000.00
9.	Let off , wind Up, supporting roller & Stand	For Roto cure & Side wall press	Inhouse/Sub contract	29,50,000.00
10.	Civil work (foundation, Pit & Floor)	For Press 1250 X 15300 & Cal. 1220	Inhouse/Sub contract	8,00,000.00
11.	Utility connection	For 11D Banbury, Press 1250 X 15300, Repair press 1250 X 800, Cal. 1220, Roto cure & Side wall press	Inhouse/Sub contract	16,00,000.00
12.	Installation cost (Mech. & Ele.)	For 11D Banbury, Press 1250 X 15300, Repair press 1250 X 800, Cal. 1220, Roto cure & Side wall press	Various cost to this Set installation	41,50,000.00
13.	Transportation Charges	Various Transportation Charges for machines/project related	Various Transportation Charge related to Project	33,00,000.00
14.	Miscellaneous	Process tools, lab equipment's, L.T. sub station etc	Various cost to this Set installation	80,00,000.00
TOTAL (B)				3,29,65,000.00

The above set-up and installation cost is certified by chartered Engineers certificate dated August 13, 2024

Total Estimated Cost:

Total Cost with Quotations (A) (in Rs.)	₹12,59,30,950.00
Total Estimated Cost without Quotations (B) (in Rs.)	₹ 3,29,65,000.00
Grand Total Estimated Cost (in Rs.)	₹ 15,88,95,950.00
Total (in Lakhs)	₹ 1588.96

Note:

(1) The amount included in the quotation may be subject to price revisions, basis inter alia prevailing market conditions. In case of an increase in quoted amount due to a price revision, we will bear the difference out of internal accruals.

(2) The amount included in the quotation does not include certain additional charges, inter alia taxes, insurance, freight, transportation, duties and levies which may be payable by our Company under applicable law. We will bear the cost of such additional charges, as applicable, out of our internal accruals.

(3) All the assessments bases on exchange rates and market rates are certified by the Chartered Engineer Mahendra Kr.Chauhan pursuant to certificate dated August 13, 2024.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However,

we are yet to place any orders for the total capital expenditure. 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 equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management and could be subject to change in the future. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations 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 our management. Our Company shall have the flexibility to deploy such equipment in relation to the capital expenditure or such other equipment as may be considered appropriate, according to the business or engineering requirements of such facilities, subject to the total amount to be utilized towards purchase of such equipment not exceeding ₹ 3000.35 Lakhs.

The plant and Machinery to be acquired from issue proceed will be installed at our manufacturing unit situated at Unit-II:- Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003, India

2. To Meet Working Capital Requirement of our Company

Since Incorporation, our Company is engaged in manufacturing of Conveyor rubberbelts. The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of ₹ 900.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business. The Company will be utilising the additional working capital for expansion of its business activities.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	Provisional
		31-March-2022	31-March-2023	31-March-2024	31-March-2025
I	Current Assets				
	Trade Receivables	1445.87	1482.38	2633.57	3287.67
	Inventories	1418.45	1432.13	1632.36	2117.26
	Cash and Cash Equivalents	80.89	75.87	365.25	90.00
	Short Term Loan & Advances	619.86	266.94	485.87	635.87
	Other Current Assets	0.79	0.66	0.42	0.50
	Total(A)	3565.87	3257.99	5117.46	6131.30
II	Current Liabilities				
	Trade Payables	643.55	718.02	865.44	907.40
	Short Term Provisions	251.47	259.80	428.57	455.72
	Other Current Liabilities	240.24	249.01	306.42	330.42
	Total (B)	1135.26	1226.83	1600.43	1693.54
III	Total Working Capital Gap (A-B)	2430.61	2031.16	3517.03	4437.76
IV	Funding Pattern				
	Short term borrowing & Internal Accruals and Right Issue Proceeds	2430.60	2031.15	3517.04	3537.76
	IPO Proceeds				900.00

Holding Levels

The following table sets forth the details of the holding period levels (in days) considered ⁽¹⁾:

Particulars	Actual March 31, 2022	Actual March 31, 2023	Provisional March 31, 2024	Projected March 31, 2025
Debtors (in days)	63	56	68	75
Creditors (in days)	37	40	33	30
Inventories (in days)	82	79	62	70

(1) As certified by the Statutory Auditors pursuant to their certificate dated August 13, 2024

(2) Inventory days: Average of inventory for the current and previous period / direct cost (including cost of goods sold and other direct expenses) * 365

(3) Trade receivable days: Average of trade receivables for the current and previous period / revenue from operations * 365

(4) Trade payable days: Average of trade payables for the current and previous period / total direct cost for the current period * 365

Key assumptions and justification for Holding Period Levels:

S. No.	Particulars
Debtors	We expect Debtors holding days to be at 75 days approx. for FY 2024-25 based on increased sales of Products and better credit Management policies ensuring timely recovery of dues.
Creditors	We expect creditor payment days to be at 30 days approx. for FY 2024-25 based on increased purchase and better credit period allowed by suppliers.
Inventories	We expect Inventory levels to maintain 70 days approx. for FY 2024-25 due to their trading cycle, increase in sales and maintaining required level of Inventory.

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

Justifications:

Current Assets

Trade Receivables:

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Trade Receivables	1445.87	1482.38	2633.57	3287.67
In Days	63	56	68	75

The company usually allow 60-75 days credit period to its debtors as per the industry standards.

The company is in the business where receivables hold an important part of the working capital. The projects are milestone based and payments are recovered based upon completion of such milestones as per project timeline. Still, company projects to maintain the receivable days at 75 Days. The increase in amount from Rs. 2633.57 Lakhs in FY 2024 to Rs. 3287.67 Lakhs suggests overall growth of the company.

Inventory:

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Inventories	1418.45	1432.13	1632.36	2117.26
In Days	82	79	62	70

The Inventory for FY 2022 stands at Rs. 1418.45 Lakhs and the same has increased to Rs. 1432.13 Lakhs in FY 2023. For the same period, Inventory Days have slightly decreased from 82 days in FY 2022 to 79 Days in FY 2023. Considering the same for FY 2024, the inventory amount stands at Rs. 1632.36 Lakhs which stands at 62 days.

The company is planning to inventory days to be slightly increased to 70 days for FY 2025. This would amount to Rs.2117.26 Lakhs in FY 2025

Cash and Cash Equivalents

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Cash and Cash Equivalents	80.89	75.87	365.25	90.00
In Days	4	3	9	2

The business of the company very low cash intensive business & keeping the same view the company needs cash & cash equivalents for contingency needs, at a range between 1-10 days. During the F.Y. 2022 the company has cash & cash equivalents

of Rs. 80.89 Lakhs at around 4 days which slightly decreased to 3 days amounting to Rs. 75.87 Lakhs. Further the same has been increased significantly 365.25 Lakhs in F.Y. 2023-24 at 9 days due to excess cash surplus at the end of the financial year.

Further, as the operations and revenue are projected to increase in FY 2025, we are planning to maintain cash requirement to 2 days only. At this the Cash and Cash equivalent we will maintain Rs. 90 lakhs only

Short Term Loans & Advances

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Short Term Loans & Advances	619.86	266.94	485.87	635.87
In Days	27	10	13	15

The Short Term Loans & Advances includes advances to suppliers & staff which company keeps at around 10-27 days. In Financial year 2022 short term loans and advances stood at Rs. 619.86 Lakhs at 27 days. Further the same has been decreased to 10 days at Rs. 266.94 Lakhs. during the F.Y 2023-24 the short terms advances slightly increased to 13 days at Rs. 485.87 Lakhs.

The company is planning to maintain 15 days level for Short Term Loans & Advances in FY 2025 which increase the level to Rs. 635.87 Lakhs in FY 2025.

Other Current Assets

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Other Current Assets	0.79	0.66	0.42	0.50
In Days	0	0	0	0

The other current assets which include Accrued Interest on FDR has a very nominal amount which is not required to be justified

Current Liabilities

Trade Payables

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Trade Payables	643.55	718.02	865.44	907.40
In Days	37	40	33	30

The amount of trade payable was Rs. 643.55 Lakhs in FY 2022 which was increased to Rs. 718.02 Lakhs in FY 2023 and Rs. 865.44 Lakhs as the business grows. The Days for trade payable was maintained at 40 days in FY 2023 to 33 days to FY 2024.

For FY 2025, the company expects to keep the payable days at 30 Days level and after keeping the days at such level it could be seen that the amount of trade payable increase to Rs. 907.40 Lakhs. This is clearly due to the reason for growth expected by the company in terms of revenue and profits in the projected year.

Short Term Provisions

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Short Term Provisions	251.47	259.80	428.57	455.72
In Days	11	10	11	10

The amount of Short Term Provision is stood at 10-11 days during all the previous year. For F.Y. 2022 the same was 251.47 Lakhs, 259.80 Lakhs in F.Y. 2023, at 10 days. For the financial year the same provisions stands at Rs. 428.57 Lakhs at 11 day s

For FY 2025, the company expects to keep the short term provisions at 10 Days level and after keeping the days at such level it could be seen that the amount of short term provisions increase to Rs. 455.72 Lakhs. This is clearly due to the reason for growth expected by the company in terms of revenue and profits in the projected year.

Other Current Liabilities

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025
Other Current Liabilities	240.24	249.01	306.42	330.42
In Days	11	9	8	8

The amount of other current liabilities is stood at 8-11 days during all the previous year. For F.Y. 2022 the same was 240.24 Lakhs at 11 days, 249.01 Lakhs in F.Y. 2023, at 9 days. For the financial year the same stands at Rs. 306.42 Lakhs at 8 days

For FY 2025, the company expects to keep the other current liabilities at same level as of March 31, 2024 at 8 Days level and after keeping the days at such level it could be seen that the amount of other current liabilities increase to Rs. 330.42 Lakhs. This is clearly due to the reason for growth expected by the company in terms of revenue and profits in the projected year.

3. General Corporate Purposes

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. [●] Lakhs 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.

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 this Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

4. Public Issue Expenses: -

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●]% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Book Running Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

* To be incorporated in the Prospectus after finalisation of the Issue Price.

Notes:

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

2. Portion for RIIs 0.01%[^] or ₹ 100/- whichever is less[^] (exclusive of GST) Portion for NIIs 0.01%[^] or ₹ 100/- whichever is less[^] (exclusive of GST)

3. [^]Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
4. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
5. Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
6. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs
7. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 25,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors **M/s. Sanjay Khandelwal & Associates**, Chartered Accountants vide their certificate dated [●] vide UDIN [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Issue Expenses	[●]
Total	[●]

* Amount exclusive of applicable taxes.

Sources of Financing for the Funds Deployed:

Our Statutory Auditors **M/s. Sanjay Khandelwal & Associates**, Chartered Accountants vide their certificate dated [●] vide UDIN [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue :

Particulars	Amt. (₹ in Lakhs)*
Internal Accruals	[●]
Total	[●]

* Amount exclusive of applicable taxes.

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 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 variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strate gy.

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 this Draft 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 this Draft 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 Promoter 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 Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

BASIS OF ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Business Overview” and its financial statements under the section titled “Financial Information of our Company” beginning on page 23, page 119 and page 179 respectively of this Draft 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.

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is [●] which is [●] times of the face value.

QUALITATIVE FACTORS

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Business Overview” beginning on page 119 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$

Diluted earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2021-22	4.87	1
2.	FY 2022-23	5.92	2
3.	FY 2023-24	8.63	3
	Weighted Average	7.10	6

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone financials.

2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

Price to Earnings Ratio(P/E) = $\frac{\text{Issue Price}}{\text{Restated Standalone /Consolidated Earnings Per Share}}$

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]
2	P/E ratio based on the Weighted Average EPS	[●]

Industry PE

Particulars	P/E
Highest	19.98
Lowest	19.98
Average	19.98

3. Return on Net worth (RoNW)

Return on Net Worth (%) = $\frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Restated Standalone Net Worth}} * 100$

Net Worth

S. No	Period	RONW (%)	Weights
1.	FY 2021-22	31.51	1
2.	FY 2022-23	27.72	2
3.	FY 2023-24	28.76	3
	Weighted Average	28.87	6

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

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Sr. No.	As at	NAV
1.	March 31, 2022	370.73
2.	March 31, 2023	512.90
3.	March 31, 2024	719.98
5.	NAV after Issue	[●]
	Issue Price	[●]

5. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Results Type	Face Value (₹)	EPS(₹) ³	PE ^{4*}	RoNW(%)	NAV per Share(₹)
1.	Eureka Conveyor Beltings Limited	Standalone	10.00	8.63	[●]	28.76	719.98
2.	Pentagon Rubber Limited	Standalone	10.00	5.76	19.98	15.19	37.94

¹ Based on March 31, 2024 restated financial statements

² Source: Based on Financial Results of Peer Group Companies

³ Basic & Diluted Earnings per share (EPS) and Net Assets Value per share is calculated on weighted average number of shares after considering Bonus Issue of Shares.

⁴ Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

*The above P E Ratio has been calculated for only one company by taking the closing price on the Stock Exchange on 13.08.2024

6. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.
7. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

8. 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 various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated August 13, 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 Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/S. Sanjay Khand elwal & Associates, Chartered Accountants, by their certificate dated August 13, 2024 having UDIN 24036468BKEBSL9098.

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

Key Performance Indicators of our Company.

(Rs in lakhs)

Key Financial Performance	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations ⁽¹⁾	14062.37	9600.66	8313.98
EBITDA ⁽²⁾	2245.51	1315.61	1117.72
EBITDA Margin ⁽³⁾	15.97	13.70	13.44
PAT	1242.49	853.02	700.88
PAT Margin ⁽⁴⁾	8.84	8.88	8.43

Notes:

- (1) Revenue from operation means revenue from sales.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- (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

Explanation for KPI metrics

Key Financial Performance	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.

Operational KPI's of the Company:

Key Financial Performance	March 31, 2024	March 31, 2023	March 31, 2022
Revenue split between domestic and exports			
Domestic Market (in Lakhs)	13948.56	9257.93	8167.03
Export Market (in Lakhs)	110.08	337.31	146.59
Domestic Market (%)	99.22	96.49	98.24
Export Market (%)	0.78	3.51	1.76
Contribution to revenue from operations of top 1 / 3 / 5/ 10 customers (Amount in Lakhs)			
Top 1	1348.19	982.36	698.22
Top 3	2686.57	1881.97	1578.71
Top 5	3700.61	2581.45	2360.32
Top 10	5670.67	4109.62	3647.22

Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

We have listed peer Company such as Pentagon Rubber Ltd, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Amount in Lakhs)

Particulars	Eureka Conveyor Beltings Limited			Pentagon Rubber Ltd		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operation	14062.37	9600.66	8313.98	5777.04	4317.89	3502.65
EBITDA	2245.51	1315.61	1117.72	694.24	558.70	416.35
EBITDA Margin (%)	15.97	13.70	13.44	12.02	12.94	11.89
PAT	1242.49	853.02	700.88	444.42	310.43	297.30
PAT Margin (%)	8.84	8.88	8.43	7.69	7.19	8.49

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.

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

- (4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
(6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

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 issuance of Equity Shares during the 18 months preceding the date of this Draft Red Herring Prospectus (Except Right Issue), 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.

Date of Allotment	Name of the Allottees	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment
April 05, 2024	Raj Kumar Khubchandani	5,598	10.00	675.00	Right Issue
	Bharat Kumar Khubchandani	3,598			
	Bhagwanti Khubchandani	3,000			
	Laxmi Khubchandani	9,600			
	Sumit Khubchandani	31,398			
	Nitin Khubchandani	26,800			
	Raj Kumar & Sons HUF	2			
	Puneet Khubchandani	20,002			
	Bhakti Khubchandani	20,002			

- b. **The price per share of our Company based on the secondary sale / acquisition of shares (equity shares):** The details of secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days is not applicable.

Date of Transfer	Name of Transferor	Names of Transferee	Number of Shares transferred	Transfer Price
November 2, 2023	Harsha Chetwani	Raj Kumar Khubchandani	10	550
November 2, 2023	Kamlesh Tulsidas Gangwani	Bharat Kumar Khubchandani	10	550
November 2, 2023	Pushpa Gangwani	Bharat Kumar Khubchandani	10	550
April 26, 2024	Raj Kumar and Sons HUF	Sumit Khubchandani	240	0.00
May 10, 2024	Laxmi Khubchandani	Puneet Khubchandani	8,15,760	0.00

- c. Since there are transactions to report to under (a) therefore, information based on last 5 secondary transactions (primary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is not applicable.

Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ [●]/-)	Cap price (i.e. ₹ [●]/-)
Weighted average cost of acquisition of	675.00	[●]	[●]

primary / new issue as per paragraph a above.			
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	0.02	--	--
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	--	--	--

Investors should read the above-mentioned information along with section titled “Business Overview”, “Risk Factors” and “Financial Information of our Company” beginning on page 119, 23 and 179 respectively including important profitability and return ratios, as set out in chapter titled “Other Financial Information” on page 180 of this Draft Red Herring Prospectus to have a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors
EUREKA CONVEYOR BELTINGS LIMITED
F-53, Chambal Industrial Area, Industrial Estate
Kota, Rajasthan-324003**

Dear Sir,

Subject - Statement of possible tax benefits (“the statement”) available Eureka Conveyor Beltings Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.

REFERENCE - PROPOSED INITIAL PUBLIC OFFER OF EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH (“EQUITY SHARES”) OF EUREKA CONVEYOR BELTINGS LIMITED (“ISSUER”)

We hereby confirm that the enclosed Annexure 1 and 2 (together “the Annexures”), prepared by Eureka Conveyor Beltings Limited (“the Company”), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2023, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2023, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India (together, the “Tax Laws”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that these Annexures are only intended to provide information to the investors and 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 proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
 - 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 views expressed herein.
3. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For SANJAY KHANDELWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 002805C**

(SANJAY KHANDELWAL)
Partner
M. No. 036468

Place: Kota
Date: 13.08.2024
UDIN No.: 24036468BKEBSC9680

ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

- A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the Act.
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus/Prospectus.

ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

- A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the GST Act.
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus/Prospectus.

SECTION VIII – ABOUT THE COMPANY

INDUSTRY OVERVIEW

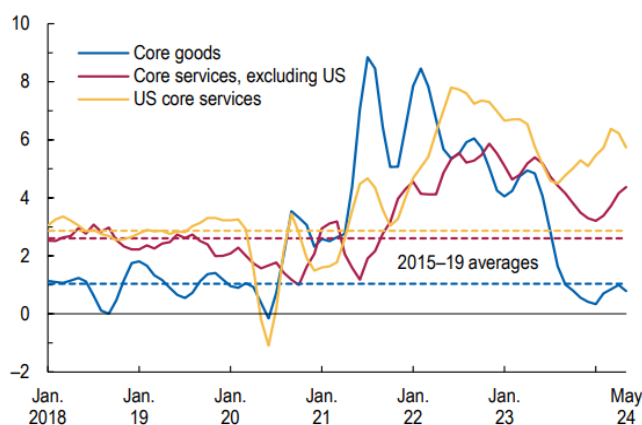
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL OUTLOOK

Global growth is projected to be in line with the April 2024 World Economic Outlook (WEO) forecast, at 3.2 percent in 2024 and 3.3 percent in 2025. However, varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies as cyclical factors wane and activity becomes better aligned with its potential. Services price inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher-for-even-longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. To manage these risks and preserve growth, the policy mix should be sequenced carefully to achieve price stability and replenish diminished buffers.

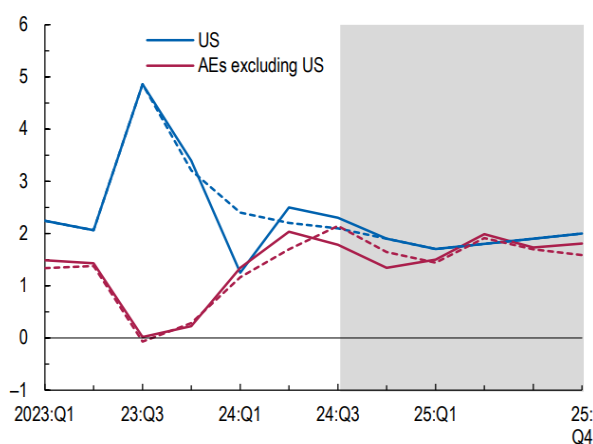
Global activity and world trade firmed up at the turn of the year, with trade spurred by strong exports from Asia, particularly in the technology sector. Relative to the April 2024 WEO, first quarter growth surprised on the upside in many countries, although downside surprises in Japan and the United States were notable. In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter. In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors wane and activity becomes better aligned with its potential.

Figure 1. Sequential Core Inflation
(Percent; three-month-over-three-month, annualized)



Sources: Haver Analytics; and IMF staff calculations.
Note: The two aggregates are the purchasing-power-parity-weighted averages. Sample includes 11 advanced economies and 9 emerging market and developing economies that account for approximately 55 percent of 2021 world output at purchasing-power-parity weights.

Figure 2. Growth Revisions since April
(Percent; solid = July 2024 WEO Update, dashed = April 2024 WEO)



Source: IMF staff calculations.
Note: Shaded areas denote projections. Data for 2024:Q2 are estimates. AEs = advanced economies; WEO = World Economic Outlook.

Meanwhile, the momentum on global disinflation is slowing, signaling bumps along the path. This reflects different sectoral dynamics: the persistence of higher-than-average inflation in services prices, tempered to some extent by stronger disinflation in the prices of goods (Figure 1). Nominal wage growth remains brisk, above price inflation in some countries, partly reflecting the

outcome of wage negotiations earlier this year and short-term inflation expectations that remain above target. The uptick in sequential inflation in the United States during the first quarter has delayed policy normalization. This has put other advanced economies, such as the euro area and Canada, where underlying inflation is cooling more in line with expectations, ahead of the United States in the easing cycle. At the same time, a number of central banks in emerging market economies remain cautious in regard to cutting rates owing to external risks triggered by changes in interest rate differentials and associated depreciation of those economies' currencies against the dollar.

A Waxing and Waning Outlook

IMF staff projections are based on upward revisions to commodity prices, including a rise in nonfuel prices by 5 percent in 2024. Energy commodity prices are expected to fall by about 4.6 percent in 2024, less than projected in the April WEO, reflecting elevated oil prices from deep cuts by OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters) and reduced, but still present, price pressure from the Middle East conflict. Monetary policy rates of major central banks are still expected to decline in the second half of 2024, with divergence in the pace of normalization reflecting varied inflation circumstances.

Growth is expected to remain stable. At 3.2 percent in 2024 and 3.3 percent in 2025, the forecast for global economic growth is broadly unchanged from that in April (Table 1). Under the hood, however, offsetting growth revisions have shifted the composition.

Among advanced economies, growth is expected to converge over the coming quarters (Figure 2). In the United States, projected growth is revised downward to 2.6 percent in 2024 (0.1 percentage point lower than projected in April), reflecting the slower-than-expected start to the year. Growth is expected to slow to 1.9 percent in 2025 as the labor market cools and consumption moderates, with fiscal policy starting to tighten gradually. By the end of 2025, growth is projected to taper to potential, closing the positive output gap.

Trade makes a recovery. World trade growth is expected to recover to about 3¼ percent annually in 2024–25 (from quasi stagnation in 2023) and align with global GDP growth again. The uptick in the first quarter of this year is expected to moderate as manufacturing remains subdued. Although cross border trade restrictions have surged, harming trade between geopolitically distant blocs, the global trade-to-GDP ratio is expected to remain stable in the projection.

Global inflation will continue to decline. In advanced economies, the revised forecast is for the pace of disinflation to slow in 2024 and 2025. That is because inflation in prices for services is now expected to be more persistent and commodity prices higher. However, the gradual cooling of labor markets, together with an expected decline in energy prices, should bring headline inflation back to target by the end of 2025. Inflation is expected to remain higher in emerging market and developing economies (and to drop more slowly) than in advanced economies. However, partly thanks to falling energy prices, inflation is already close to pre pandemic levels for the median emerging market and developing economy.

Not Yet in the Clear

Overall, risks to the outlook remain balanced, as in the April 2024 WEO, but some near-term risks have gained prominence. These include upside risks to inflation that stem from a lack of progress on services disinflation and price pressures emanating from renewed trade or geopolitical tensions. Risks of persistent inflation in the services sector are tied to both wage and price setting, given that labor accounts for a high share of the costs in that sector. Higher nominal wage growth, which in some cases reflects the catch-up of real wages, if accompanied by weak productivity, could make it difficult for firms to moderate price increases, especially when profit margins are already squeezed. This could lead to further stickiness in wage and price inflation. The escalation of trade tensions could further raise near-term risks to inflation by increasing the cost of imported goods along the supply chain. Bumpiness along the remaining disinflation path could destabilize the return to price stability if short term expectations spike upward as a result of disappointing inflation data.

The potential for significant swings in economic policy as a result of elections this year, with negative spillovers to the rest of the world, has increased the uncertainty around the baseline. These potential shifts entail fiscal profligacy risks that will worsen debt dynamics, adversely affecting long-term yields and ratcheting up protectionism. Trade tariffs, alongside a scaling up of industrial policies worldwide, can generate damaging cross-border spillovers, as well as trigger retaliation, resulting in a costly race to the bottom. By contrast, policies that promote multilateralism and a faster implementation of macrostructural reforms could boost supply gains, productivity, and growth, with positive spillovers worldwide.

Future-Proofing the Economy

As output gaps start to close and inflation recedes, policymakers face two tasks: persevering with restoring price stability and

addressing the legacies of recent crises, including replenishing lost buffers and durably uplifting growth. In the near term, this will require careful calibration and sequencing of the policy mix. In countries where upside risks to inflation—including those arising through external channels—have materialized, central banks should refrain from easing too early and remain open to further tightening should it become necessary. Where inflation data encouragingly signal a durable return to price stability, monetary policy easing should proceed gradually, which would simultaneously provide room for the required fiscal consolidation to take place. Fiscal slippages over the past year in some countries could require a stance significantly tighter than envisaged.

In emerging market and developing economies, recent policy divergences highlight the need to manage the risks of currency and capital flow volatility. Given that economic fundamentals remain the main factor in dollar appreciation, the appropriate response is to allow the exchange rate to adjust, while using monetary policy to keep inflation close to target. Foreign reserves should be used prudently and preserved to deal with potentially worse outflows in the future, in line with the IMF's Integrated Policy Framework. To the extent possible, macroprudential policies should mitigate vulnerabilities from large exposures to foreign-currency-denominated debt.

Finally, the misuse of inward and domestically oriented policies compromises the ability to tackle global challenges—such as climate change—concerning which multilateral cooperation and trade are vital. These policies are also often inadequate to address

Table 1. Overview of the World Economic Outlook Projections

(Percent change, unless noted otherwise)

	Year over Year						Q4 over Q4 2/		
	2022	2023	Projections		Difference from April 2024 WEO		2023	Projections	
			2024	2025	2024	2025		2024	2025
World Output	3.5	3.3	3.2	3.3	0.0	0.1	3.3	3.2	3.2
Advanced Economies	2.6	1.7	1.7	1.8	0.0	0.0	1.7	1.8	1.8
United States	1.9	2.5	2.6	1.9	-0.1	0.0	3.1	2.0	1.8
Euro Area	3.4	0.5	0.9	1.5	0.1	0.0	0.2	1.5	1.5
Germany	1.8	-0.2	0.2	1.3	0.0	0.0	-0.2	0.8	1.7
France	2.6	1.1	0.9	1.3	0.2	-0.1	1.2	0.8	1.5
Italy	4.0	0.9	0.7	0.9	0.0	0.2	0.7	0.5	1.3
Spain	5.8	2.5	2.4	2.1	0.5	0.0	2.1	2.3	2.1
Japan	1.0	1.9	0.7	1.0	-0.2	0.0	1.2	1.6	0.3
United Kingdom	4.3	0.1	0.7	1.5	0.2	0.0	-0.2	1.5	1.6
Canada	3.8	1.2	1.3	2.4	0.1	0.1	1.0	2.2	2.2
Other Advanced Economies 3/	2.7	1.8	2.0	2.2	0.0	-0.2	1.7	1.9	2.8
Emerging Market and Developing Economies	4.1	4.4	4.3	4.3	0.1	0.1	4.7	4.3	4.4
Emerging and Developing Asia	4.4	5.7	5.4	5.1	0.2	0.2	5.9	5.3	5.0
China	3.0	5.2	5.0	4.5	0.4	0.4	5.4	4.6	4.9
India 4/	7.0	8.2	7.0	6.5	0.2	0.0	7.8	6.5	6.5
Emerging and Developing Europe	1.2	3.2	3.2	2.6	0.1	-0.2	4.1	2.3	3.7
Russia	-1.2	3.6	3.2	1.5	0.0	-0.3	4.8	1.8	1.7
Latin America and the Caribbean	4.2	2.3	1.9	2.7	-0.1	0.2	1.5	2.5	2.5
Brazil	3.0	2.9	2.1	2.4	-0.1	0.3	2.2	2.9	2.0
Mexico	3.7	3.2	2.2	1.6	-0.2	0.2	2.3	3.0	1.1
Middle East and Central Asia	5.4	2.0	2.4	4.0	-0.4	-0.2	...	...	...
Saudi Arabia	7.5	-0.8	1.7	4.7	-0.9	-1.3	-4.3	2.6	4.3
Sub-Saharan Africa	4.0	3.4	3.7	4.1	-0.1	0.1	...	...	...
Nigeria	3.3	2.9	3.1	3.0	-0.2	0.0	2.8	3.3	2.7
South Africa	1.9	0.7	0.9	1.2	0.0	0.0	1.3	1.3	0.9
Memorandum									
World Growth Based on Market Exchange Rates	3.0	2.7	2.7	2.8	0.0	0.1	2.8	2.7	2.8
European Union	3.7	0.6	1.2	1.8	0.1	0.0	0.5	1.7	1.8
ASEAN-5 5/	5.5	4.1	4.5	4.6	0.0	0.0	4.2	5.5	2.9
Middle East and North Africa	5.4	1.8	2.2	4.0	-0.5	-0.2	...	...	...
Emerging Market and Middle-Income Economies	4.0	4.4	4.2	4.2	0.1	0.1	4.7	4.3	4.4
Low-Income Developing Countries	4.2	3.9	4.4	5.3	-0.3	0.1	...	...	...
World Trade Volume (goods and services) 6/	5.6	0.8	3.1	3.4	0.1	0.1	...	...	...
Advanced Economies	6.2	0.1	2.5	2.8	0.3	-0.1	...	...	...
Emerging Market and Developing Economies	4.5	2.0	4.2	4.5	-0.1	0.5	...	...	...
Commodity Prices									
Oil 7/	39.2	-16.4	0.8	-6.0	3.3	0.3	-4.4	-2.4	-5.7
Nonfuel (average based on world commodity import weights)	7.9	-5.7	5.0	1.6	4.9	2.0	-0.2	7.7	0.5
World Consumer Prices 8/	8.7	6.7	5.9	4.4	0.0	-0.1	5.8	5.5	3.6
Advanced Economies 9/	7.3	4.6	2.7	2.1	0.1	0.1	3.1	2.5	1.9
Emerging Market and Developing Economies 8/	9.8	8.3	8.2	6.0	-0.1	-0.2	8.0	8.0	4.9

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during April 22–May 20, 2024. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1/ Difference based on rounded figures for the current and April 2024 WEO forecasts. Countries for which forecasts have been updated relative to April 2024 WEO forecasts account for approximately 90 percent of world GDP measured at purchasing-power-parity weights.

2/ For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 percent (80 percent) of annual world (emerging market and developing economies) output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and projections are presented on a fiscal year (FY) basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 7.3 percent in 2024 and 6.5 percent in 2025 based on calendar year.

5/ Indonesia, Malaysia, Philippines, Singapore, Thailand.

6/ Simple average of growth rates for export and import volumes (goods and services).

7/ Simple average of prices of UK Brent, Dubai Falah, and West Texas Intermediate crude oil. The average assumed price of oil in US dollars a barrel, based on futures markets (as of May 20, 2024), is \$81.26 in 2024 and \$76.38 in 2025.

8/ Excludes Venezuela.

9/ The assumed inflation rate for the euro area is 2.4% in 2024 and 2.1% in 2025, that for Japan is 2.4% in 2024 and 2.0% in 2025, and that for the United States is 3.1% in 2024 and 2.0% in 2025.

domestic issues, as they increase fiscal pressures and risk further distortions such as resource misallocation. All countries should thus scale back on use of trade-distorting measures and strive instead to strengthen the multilateral trading system.

(Source- <https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>)

INDIAN ECONOMY OVERVIEW

Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh

crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market size

- Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion).
- The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23.,
- India is the third-largest unicorn base in the world with more than 113 unicorns valued at US\$ 350 billion, as per the Economic Survey.
- The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.
- India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.

- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January -April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

Government Initiatives

Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of US\$ 182.35 million (Rs. 1,500 crore).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from 1st January 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on 29th December 2022 by the Ministry of Railways.
- On 7th October 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.

- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.
- India and Namibia entered into a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed artificial intelligence (AI) products and technologies during the first-ever “AI in Defence” (AIDef) symposium and exhibition, organised by the Ministry of Defence in New Delhi on July 11, 2022.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of biocapsule, an encapsulation technology for bio-fertilization on 30 June, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- On February 2022, Ms. Nirmala Sitharaman Minister for Finance & Corporate Affairs said that productivity linked incentive (PLI) schemes to be extended to 14 sectors for achieving the mission of AtmaNirbhar Bharat and create 60 lakh (6 million) and an additional production of Rs. 30 lakh crore (US\$ 401.49 billion) in the next 5 years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022 Finance Minister Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G will be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which is expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement to spectrum sharing.
- In the Union Budget of 2022-23 the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).

- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that Reserve Bank of India (RBI) will issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness Budget 2022 has announced to reform the 16-year-old Special Economic Zone (SEZ) act to enhance competitiveness this will be done to make it compatible with the World Trade Organisation (WTO).
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms.
- In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy.
- On January 29 2022 the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian Economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23, it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next 3 years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.

- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

Road Ahead

In the second quarter of FY 24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

RUBBER INDUSTRY

Global Scenario

Natural Rubber is a commercial plantation crop from the tree species, *Hevea brasiliensis* is grown in tropical humid climatic conditions. Thailand, Indonesia, Malaysia, Vietnam, China and India are the major Natural Rubber producers globally. The current world production and consumption of NR is around 12.40 million tonnes and 12.60 million tonnes respectively. The major Natural Rubber consumers are China, India, USA, Japan, Thailand, Indonesia and Malaysia. Rubber is largely perceived as a strategic industrial raw material and accorded special status globally for defence, national security and industrial development. Major consuming countries keep strategic reserves of Natural Rubber.

Rubber is an internationally traded commodity and price of rubber is influenced inter alia by trends in economic growth, production in major producing countries and demand in major consuming countries. Domestic Natural Rubber prices generally follow the trends in the international market and is therefore, subjected to fluctuations in price.

Indian Scenario

Indian rubber industry is characterized by the co-existence of a well-established rubber production sector and a fast growing rubber products manufacturing and consuming sector. The Rubber Industry value chain begins from Natural Rubber plantations and ends with a huge range of dry rubber and latex based products. Historically, Natural Rubber was a regulated commodity with strong tariff protection and domestic market regulations. The key factors which have contributed to the growth of Indian rubber industry are positive intervention of institutional agencies aiming at self-sufficiency and import substitution.

Most of the rubber products including tyres require blends of Natural Rubber and Synthetic Rubber. Consumption of SR is mainly determined by end product composition, technological change and relative prices. Consumption of SR in India in rubber products manufacturing sector increased from 411,830 tonne in 2010-11 to 633,975 tonne in 2017-18. Currently, there are four companies producing SR and production increased from 110,340 tonne in 2010-11 to 331,221 tonne in 2017-18. Styrene Butadiene Rubber and Poly Butadiene Rubber accounted for 63% and 34% of SR production in the country. Import of SR amounted to 338,189 tonne

in 2017-18. Consumption of SR in India is projected to reach 1.2 million tonne by 2025.

Production and Consumption

India is currently the sixth largest producer of Natural Rubber in the world with one of the highest productivity (694,000 tonnes in 2017-18). The production capacity in India is around 900,000 tonnes, of which around 75% is tapped. Out of the total area under rubber in India of around 822,000 ha, 614,500 ha is a mature yielding crop. Traditional rubber-growing states comprising Kerala and Tamil Nadu account for 81% of production. Major non-traditional rubber growing regions are the North Eastern states of Tripura, Assam and Meghalaya, Odisha, Karnataka, Maharashtra and West Bengal. Sheet rubber is the most preferred form of processing accounting for around 70% of processed rubber. Block rubber and latex comprise 17% and 12% respectively of rubber production in the country.

India is the 2nd largest consumer of Natural Rubber globally with current consumption of around 1.1 million tonnes. Sheet rubber, block rubber and latex account for 47%, 43% and 8% respectively in Natural Rubber consumption. Around 40% of the total Natural Rubber consumption in India is at present met from import of rubber. 68% of Natural Rubber consumption in India is in the automotive tyre sector.

Strengths and Challenges of Indian Rubber Sector

The major strengths of the sector include existence of a domestic rubber products manufacturing industry capable of consuming the entire Natural Rubber produced in the country, vast areas in non-traditional regions suitable for rubber cultivation, strong and systematic rubber research, well-knit extension network and grower forums comprising Rubber Producers Societies (RPS), Self Help Groups (SHGs), RPS companies and Cooperatives.

The sector also faces many challenges, some of which are sub-optimal agro-climatic conditions and adverse impact of climate change, saturation of area for new planting in traditional regions, agro-climatic, topographic, social, cultural, institutional and infrastructure constraints in non-traditional regions, global price volatility and low-price situations, and its repercussions on production, lack of competitiveness, stagnation in the growth of Non-Tyre Rubber manufacturing sector etc.

Sustainability in Production

Self-sufficiency had been the main focus of development plans in Natural Rubber sector till the last decade. Though importance of self-sufficiency cannot be reduced, competitiveness and sustainability have to be considered while setting up goals and formulating strategies pertaining to Rubber production in the country. Natural Rubber consumption in the country in 2030 is projected at around 2.00 million tonne. It is envisaged that the domestic production is able to meet at least 75% of the Natural Rubber requirement in 2030. In order to attain the projected production, average annual new planting and replanting would be to the tune of at least 8,000 ha and 10,000 ha respectively. Efforts would be made to get all the available mature area under rubber tapped.

Rubber consumption and Export of Rubber Products

Rubber consumption is the direct indicator of rubber based industrialisation. Though India is the second largest consumer of NR in the world, per capita consumption of rubber as a whole is just around 1.2 kg as compared to 6.5 kg in China and the global average rubber consumption of 3.6 kg. End product range of rubber covers more than 50,000 items, which are used far and wide in various industries like transport, health, households, sports, entertainment etc. Consumption of rubber shall be promoted for the overall development of the rubber industry value chain.

Demand for tyres originates from the vehicle/automobile manufacturers for fitment on new vehicles (Original Equipment Manufacture supplies), vehicle population which is already on the road (replacement or aftermarket) as well as export. In some categories like passenger cars, motorcycle tyres, etc. the share of Original Equipment Manufacture's is more than 50% of total supplies. The future potential can be gauged from the present low automobile penetration in India. Growth in production and fitment of tyres is directly linked to the growth in GDP, particularly growth in infrastructure (for commercial tyres) and income levels (for passenger tyres). Tyre sector is poised to record notable growth in near future contributed by increase in GDP and export prospects.

General rubber goods sector is dominated by Micro Small and Medium Enterprises (MSME). However, the versatility of these products, their potential in terms of huge domestic and external markets and relatively high employment potential are to be considered in according high policy priorities to the sector. General rubber goods sector also requires special attention with regard to research and development activities, technology upgradation and transfer, machinery import, export promotion, branding, quality enhancement, skill development etc.

Promotional activities in rubber product manufacturing are mainly undertaken by Ministry of MSME, Department for Promotion of Industry and Internal Trade (DPIIT) and Industries Departments of state governments. There is no designated national level agency to assist rubber products manufacturing sector. A Rubber Industry Development Plan may be formulated in consultation with other relevant Ministries/Departments and Rubber Board. Initiatives of grower forums in manufacturing value added rubber products will be supported.

Rubber Parks are areas publicly procured, zoned and planned for the purpose of rubber based industrial development wherein infrastructure and common facilities are provided and single windows for clearances are established. Development of Rubber Parks as processing hubs would be promoted in the private sector or under PPP mode.

Several studies have highlighted significant advantages of rubberised roads over normal roads and it is inferred that though there is a marginal increase in the initial cost, periodic maintenance of these roads can be reduced by 35% compared to that of the bituminous roads. Natural Rubber latex and crumb powder made from end-of-life tyres can be used for modification of asphalt for road rubberisation. Promotion of Road Rubberisation would have twin advantages of boosting rubber consumption and infrastructure durability in the long run.

An independent Rubber Products Export Promotion Council could be considered to be constituted in order to address the export related issues of the Rubber Products Sector (both tyres and General rubber goods) and also to specifically handhold the manufacturers belonging to MSME sector which is highly essential in the present scenario. Further, export oriented clusters would be identified and specific strategies would be framed for giving the focused boost in exports.

(Source: https://commerce.gov.in/hi/wp-content/uploads/sites/2/2020/02/NTESCL637038876015166279_National-Rubber-Policy-2019_Hindi.pdf)

The Trend

Natural Rubber (NR) production in India increased by 4.0% to 105,000 tonnes during January 2024, from 101,000 tonnes produced during the same month last year. The cumulative NR produced during April to January 2024 was 739,000 tonnes, increased by 1.9% from the quantity 725,000 tonnes produced during the same period in the previous year. NR production preliminarily estimated for February 2024 is 71,000 tonnes.

Rubber goods manufacturing industry in the country consumed a quantity of 114,000 tonnes of NR during January 2024 compared to 116,000 tonnes of NR consumed during December 2023. The cumulative NR consumed during the period April to January 2024 increased by 5.4% to 1179,000 tonnes compared to 1119,000 tonnes consumed during the same period last year. The general rubber goods sector showed an increase of 17.5% during April to January 2024 compared to the same period last year and at the same time auto-tyre segment showed an increase of 0.3% only. According to the preliminary estimate, the country has consumed 117,000 tonnes of NR during February 2024.

The country imported 41,355 tonnes of NR during January 2024 compared to 42,060 tonnes during the corresponding month of previous year. The cumulative NR import during April to January 2024 was 415,136 tonnes, decreased by 10.3% as against 462,807 tonnes imported during same period last year. India exported 861 tonnes of NR during January 2024 and the total volume of NR exported during April to January 2024 was 3,410 tonnes compared to 2,442 tonnes during the same period in the previous year.

The domestic Synthetic Rubber (SR) production was 47,460 tonnes during January 2024 making the total volume of SR produced during April to January 2024 at 454,054 tonnes increased by 18.1% from 384,447 tonnes produced during the same period in the last year. A quantity of 64,800 tonnes of SR was estimated to have consumed in the country during January 2024. The total SR consumption during April to January 2024 was 647,565 tonnes, increased by 1.9% from 635,540 tonnes consumed during the same period a year ago.

CONSUMPTION *						
Natural Rubber (NR)						
Ribbed Smoked Sheet (RSS)	53370	49205	479525	461325	559335	
Solid Block Rubber	48170	51265	582260	548050	658550	
Latex Concentrates (drc)	9600	9160	88905	82400	100190	
Others	2860	2370	28310	27225	31925	
Total	114000	112000	1179000	1119000	1350000	5.4
Out of which Auto Tyre Manufacturers	75630	77598	790916	788825	948395	0.3
Synthetic Rubber (SR)^P						
Styrene Butadiene (SBR)	33250	31175	321105	330455	392020	
Poly Butadiene(BR)	20200	19440	202970	198340	237270	
Others	11350	10995	123490	106745	130600	
Total	64800	61610	647565	635540	759890	1.9
Out of which Auto Tyre Manufacturers	44108	41552	440341	434583	517776	1.3
Total NR & SR	178800	173610	1826565	1754540	2109890	4.1
Out of which Auto Tyre Manufacturers	119738	119150	1231257	1223408	1466171	0.6
Total NR & SR	152460	147140	1193054	1109447	1306618	7.5

(Source: <https://rubberboard.gov.in/rbfilereader?fileid=994>)

Indian Rubber Industry

The Rubber industry has established itself as a major industry in India. In a few years time India is likely to become the second largest global player in this sector. India ranks high in natural rubber production. It is largely produced in Kerala but its production is growing in North-East India. Both Natural rubber and synthetic rubber play a complimentary role in providing the desired end properties to final rubber products made of it. The share of synthetic rubber in total rubber consumption in India is around 30% while the world average is 65%. As such the Government encourages establishment and development of synthetic rubber plants in India. Indian domestic market has the capacity to consume the entire indigenous production of natural rubber.

India is the fourth largest consumer of all rubber globally, next to China, USA & Japan. Per capita consumption of rubber in India currently is at 1.2 Kilograms versus a global average of 3.2 Kilograms. China is at 8 Kilograms (2014) and developed countries are at 13 Kilograms. Growth in natural rubber consumption in India is at 3-4% year over year and that for synthetic rubber at 15-20% since the past 5 years. This reflects the potential that exists for the growth of the industry in India which could be met by imports coupled with local manufacturing.

The constituents of the Indian Rubber industry manufacture more than 35,000 rubber products for different uses and applications. Involving different kinds of natural rubber, synthetic rubber and reclaimed rubber, the value-added rubber products include Tyres and Tubes, Automobile Rubber Parts, Belts and Beltings, Cables, Cots and Aprons, Rubber and Canvas footwear, Fenders, Gaskets, Hygienic & Pharmaceutical rubber goods, Mattings, Sports Goods, Rollers etc. Sub-sectors of each of the above have a large variety of rubber products. In fact, in India tyres and auto rubber parts segments are driving the auto sector growth.

India is the fourth largest commercial vehicles market and the second largest two-wheeler market globally and is poised to become a global automobile hub. The new thrust being given by the Government for development of road infrastructure has led to 33 per cent increase in bus production in two years.

100% Foreign Direct Investment (FDI) is allowed in the rubber goods industry of India by the Indian government. With the saturation in rubber consumption in Western countries and the shift in consumption of rubber to the Asia Pacific region, the focal points for this decade of development will be India. Indian rubber products are exported to around 190 countries in the world.

Emerging rubber sector globally- India's potential contribution

Industrial Rubber Products - Global demand is stated to be led by growth in key OEM markets, particularly motor vehicles, and after market demand due to strong emerging developing nations. Global market is projected to rise 5.8% per annum to \$ 140 billion in 2016.

Mechanical rubber goods - which include such products as body seals, vibration control devices, and wiper blades are expected to remain the largest product segment through 2016 by far. These products are employed heavily in motor vehicles, and segment growth will be largely attributable to the sanguine outlook for global automotive output.

Rubber belts and hoses will see the fastest gains of any product segment during that span, bolstered by an improving outlook for pricing relative to mechanical goods.

Rubber Gloves: The global demand has increased due to recent regulations on occupational safety. The demand is expected to grow by 10% per annum.

(Source: <https://www.wb.gov.in/business-rubber-industry.aspx>)

BUSINESS OVERVIEW

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 Eureka Conveyor Beltings Limited. All financial information included herein is based on our “Financial information of our company” included on page 179 of this Draft Red Herring Prospectus.

Overview

Our Company is in the business of manufacturing and exporting a wide range of conveyor rubber belts, industrial rubber belts, industrial conveyor beltings, heat resistant conveyor belts etc. These engineered conveyor belts and industrial beltings cater to the material handling requirements across various process industries such as coal handling, iron ore handling, clinker handling, fuel handling etc. Our company provides durable, efficient, and quality conveyor belt solutions across various industries.

We offer a complete solution for belt selection, troubleshooting, splicing protocol and guidance, and technical support to address perennial issues. Our product range includes all types of textile conveyor belts, splicing solutions, sidewall belts, and specialized products.

Our Company was originally incorporated as “Eureka Products Private Limited” vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Eureka Conveyor Beltings Private Limited” to “Eureka Conveyor Beltings Limited” vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U25201RJ1993PLC007425.

Our Registered Office of the company is situated at F-53, Chambal Industrial Area, Industrial Estate, Kota- 324003, Rajasthan, India and manufacturing units at Unit-I: F-51-F52, Chambal Industrial Area, Kota, Rajasthan-324003, India and Unit-II at Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003, India.

We are ISO 9001:2015 certified in manufacturing of conveyor belts. We are implementing latest technology with inhouse manufacturing, our trained technocrats have been capable to fabricate the conveyor belts, which comply with Industrial Standards. Customization facility, prompt post-safe services and transparent business policy have enabled us to gain an edge in industry.

The manufacturing units of Eureka Conveyor Beltings Limited is located in Kota, Rajasthan. Our manufacturing facilities is equipped with advanced conveyor belting presses, boasting a production capacity of 2,000 meters per day. This technology enables us to produce conveyor rubber belts with tailor made fabrics designs and strengths suitable as per application requirement. Our comprehensive Quality Assurance Program (QAP) and Quality Control (QC) system test both in-process and finished belts to ensure they meet our stringent specifications.

The experience of our team enables us to always offer the best product & solution to our clients. Over the years, we have bagged many prestigious Awards, which include Business Excellence Award, Top 10 conveyor component manufacturer Awards and appreciation certificate for outstanding performance in the field of Special Rubber Products from Small Scale Industries association. This is an acknowledgment of our superior quality products & process controls.

Our Promoter and key managerial personnel have been instrumental in the growth of our business and actively advise us on corporate strategy and planning. We have a strong management team with significant industry experience. Our Chairman & Whole Time Director Mr. Raj Kumar Khubchandani, Managing Director, Mr. Bharat Kumar Khubchandani and Whole Time Directors, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mrs. Bhakti Khubchandani and Mr. Puneet Khubchandani have 43,43,19,19,12 and 12 years of experience respectively in rubber industry, thus vast experience of the Directors have been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decade in the industry in which our Company operates.

OUR STRENGTHS

Quality Assurance and Quality Control of our Products

Quality Assurance and Quality Control are integral part of our manufacturing operations. We believe that Quality is an ongoing process of building and sustaining relationship. Our engineers inspect the entire process ensuring quality of our products is maintained. Our manufacturing facility has experienced and qualified staff to carry out quality check and inspections at all the stages of our manufacturing process. Our technical experts follow the protocol of incoming material quality control through physical and metallurgical parameters, process controls through product audit, process audit system audit and in-stage inspection at the final stage of pre dispatch control through qualified packing. Keeping in view of the expectations of our customers for the quality of our products, we take special care from procuring raw material to packing of finished goods.

Cost effective production and timely fulfilment of orders

Timely fulfillment of orders is a critical prerequisite in our industry, and at Eureka, we understand that meeting delivery deadlines is essential for maintaining customer satisfaction and competitive advantage. To achieve this, our company has implemented a series of strategic measures designed to ensure that orders are fulfilled promptly and with maximum cost efficiency. One of the key steps we have taken is the optimization of our procurement processes. By establishing strong, long-term relationships with reliable suppliers, we are able to secure raw materials at competitive prices, ensuring that our input costs are minimized. This procurement policy not only reduces material costs but also ensures a steady and timely supply of essential components, allowing us to maintain uninterrupted production schedules.

Furthermore, we place an emphasis on effective communication and coordination across all departments involved in the production and delivery process. This includes regular coordination between our procurement, production, quality control, and logistics teams to ensure that every stage of the order fulfillment process is aligned and executed. By fostering a culture of collaboration and accountability, we ensure that any potential issues are quickly identified and addressed, minimizing the risk of delays.

Finally, we recognize that timely fulfillment of orders is not just about speed but also about delivering products that meet the quality standards. Our quality assurance and control measures are integrated into every step of the production process, ensuring that each product we ship is fully compliant with customer specifications and industry standards. This commitment to quality, combined with our focus on cost-effective production and timely delivery, enables us to build and maintain strong, long-term relationships with our customers, who trust us to consistently meet their needs on time and within budget.

Scalable Business Model

Our scalable business model is fundamentally designed to be order-driven, enabling us to respond dynamically to market demands while maximizing efficiency and profitability. At the core of this model is the optimal utilization of our manufacturing facilities. By strategically aligning our production capabilities with current and anticipated order volumes, we ensure that our resources are fully leveraged, reducing idle capacity and enhancing operational efficiency. This approach not only allows us to meet customer demands promptly but also contributes to our ability to maintain competitive pricing by spreading fixed costs over a larger output.

Our business model's scalability is also driven by our proactive approach to market development. We continuously explore and capitalize on new market opportunities, both domestically and internationally. Through marketing strategies, we expand our reach, tap into new customer segments, and enhance our market presence. This includes identifying emerging trends, entering new geographical regions, and adapting our product offerings to meet the specific needs of diverse markets. Our ability to innovate and diversify our product range is integral to this expansion, as it allows us to cater to a broader audience and address varying industrial requirements.

Customer satisfaction and revenues from long standing customer relationships

We have long-standing relationships with our customers. This is, in part, due to the high criticality of our product and technical knowhow to many of our customer's business needs. We establish long-term relationships with our customers for multi-layered engagement with various departments and divisions of the customer's organizations. Our product offerings help us to cross-sell to our existing customers as well as to acquire new customers. We also conduct regular senior management reviews with our key customers to engage with them for feedback and future opportunities.

We combine our comprehensive range of product with industry-specific expertise to provide tailored solutions to our customers across business verticals, industries and geographies. Our commitment to customer satisfaction enables us to strengthen our relationships.

Existing client relationship

Our Company has earned reputation based upon which we have been successful in retaining our reputed clients. We believe that we constantly try to address customer needs around our products offered by us in field of Rubber Conveyor Belting. Our existing customer relationship helps us to get repeat business from our customers. This has helped us maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our relationship with the existing customers represents a competitive advantage in gaining new customers and increasing our business.

Leveraging the experience of our Promoter

Leveraging the experience of our Promoter has been a crucial factor in the growth and success of our company. Our Promoters possess experience in the field of Rubber Conveyor Belting, which has significantly contributed to shaping our business strategy, guiding our operations, and establishing our reputation in the industry. This wealth of knowledge and experience has been instrumental in our company's ability to navigate the complexities of the market, capitalize on opportunities, and overcome challenges, enabling us to emerge as a well-known and respected name in the industry.

The understanding our Promoters have of the industry dynamics, including market trends, technological advancements, and customer preferences, has allowed us to stay ahead of the curve. Their insights have been pivotal in the strategic decision-making process, helping us to identify and pursue growth opportunities, optimize our product offerings, and expand our market presence both domestically and internationally.

Our management team, guided by the experience and leadership of our Promoters, is deeply familiar with the intricacies of our business and the specific requirements of our customers. This knowledge enables us to tailor our products and services to better serve our clients, ensuring that we meet their expectations consistently. The Promoters' commitment to understanding and addressing customer needs has been a cornerstone of our business strategy, resulting in strong customer relationships and high levels of customer loyalty.

OUR STRATEGIES

Develop cordial relationship with our Suppliers, Customer and employees

Developing and maintaining cordial relationships with our suppliers, customers, and employees is a fundamental pillar of our company's success and growth. We believe that strong, mutually beneficial partnerships are essential for sustaining our business and driving continuous development. With suppliers, we focus on building long-term, transparent relationships that ensure a steady supply of materials, which is crucial for our manufacturing processes. These strategic partnerships also allow us to negotiate better terms, enhancing cost efficiency across our supply chain. Similarly, our customer relationships are built on trust and a commitment to delivering products, which has led to repeat business and customer loyalty. Additionally, we place great value on our employees, fostering a positive and inclusive work environment that encourages their growth, engagement, and contribution to the company's success. By integrating these relationships into our business strategy, we enhance operational efficiency, reduce costs, and sustainably growth and long-term success.

Improving operational efficiencies

Our Company aims to continue to improve ongoing operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done through continuous business process review and timely corrective measures in case of diversion and technology up gradation with proper analytics base. As a result of these measures, our company will be able to increase its market share and profitability.

Optimal Utilization of Resources

Our Company constantly endeavours to improve manufacturing process, and will increase manufacturing activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies for providing our products which enables us to identify the bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

We also intend to continue to build on our inclusive culture to ensure our employees remain engaged and committed to delivering exceptional service.

To Build-Up a Professional Organization

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business.

We will consistently put efforts among our group of experienced employees to transform them into an outstanding team of empowered professionals which will help in further accelerating the wheels of development of the Organization.

Leveraging our Market skills and Relationships

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope by continuing to build our expertise and extending our capabilities. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give excellence to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer base.

Our ability to maintain and improve the products we offer to customers enables us to generate stable revenue and minimize customer complaints. We now focus on upgrading the experience of customer to one of much greater engagement and satisfaction.

SWOT ANALYSIS

Strengths:

1. **Established Reputation:** Eureka Conveyor Beltings Limited has built a strong reputation in the conveyor belting industry, known for delivering high-quality, durable products that meet international standards.
2. **Advanced Manufacturing Facility:** The company operates manufacturing facility equipped with latest machineries, allowing for efficient production and the ability to customize products to meet specific customer needs.
3. **Diverse Product Range:** Eureka offers a wide array of conveyor belts, including heat-resistant, fire-resistant, oil-resistant, and super abrasion-resistant belts, catering to various industrial sectors like mining, power plants, and shipyards.
4. **Strong Customer Relationships:** The company has developed long-term relationships with its customers, leading to repeat business and a strong reputation for reliability and customer satisfaction.
5. **Experienced Workforce:** A team of skilled engineers and professionals with industry knowledge supports the company's operations, driving innovation and ensuring high-quality product delivery.
6. **Competitive Pricing:** The company's ability to optimize manufacturing processes and leverage supplier relationships allows it to offer industry-leading rates, providing significant value to customers.

Weaknesses:

1. **High Dependency on Raw Material Suppliers:** The company's reliance on external suppliers for raw materials could be a potential risk, especially if there are disruptions in the supply chain or price fluctuations.
2. **Capital-Intensive Operations:** Maintaining manufacturing facilities and investing in new technology can be capital-intensive, potentially impacting profitability if not managed efficiently.
3. **Limited Market Diversification:** While the company serves multiple industries, it may be vulnerable to downturns in specific sectors, which could affect overall business performance.

Opportunities:

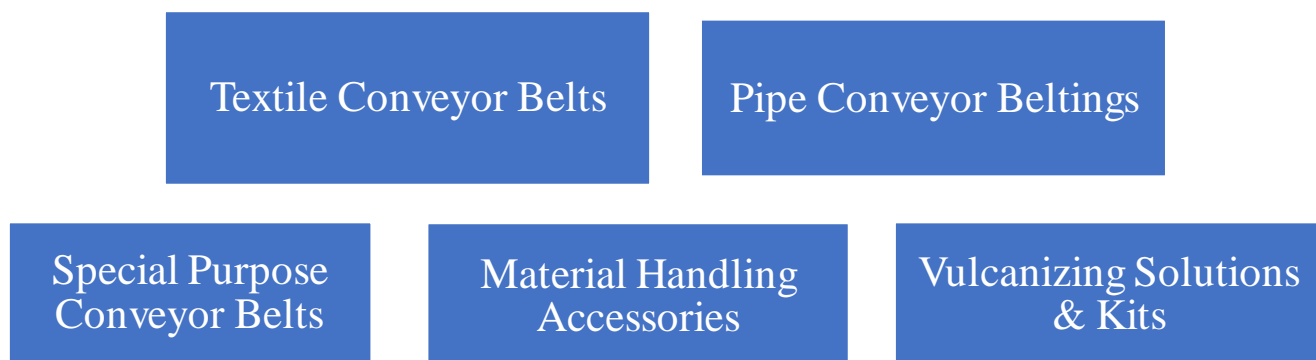
1. **Expansion into New Markets:** There are significant opportunities for growth by expanding into new geographical markets, both domestically and internationally, particularly in emerging economies with growing industrial sectors.
2. **Product Innovation:** The ongoing development of new products, such as more environmentally friendly or technologically advanced conveyor belts, could open up new markets and attract customers seeking innovative solutions.
3. **Increasing Demand for Industrial Automation:** As industries increasingly adopt automation, there is a growing need for high-quality conveyor systems, which presents an opportunity for Eureka to expand its market share.

4. **Strategic Partnerships:** Forming alliances or joint ventures with local companies in new markets can facilitate quicker market entry and reduce the risks associated with expansion.
5. **Sustainability Initiatives:** Emphasizing sustainable practices and developing eco-friendly products could attract new customers and align the company with global trends towards environmental responsibility.

Threats:

1. **Intense Competition:** The conveyor belting industry is highly competitive, with both local and international players vying for market share. This could lead to margin pressures.
2. **Economic Downturns:** Global or regional economic downturns could impact demand for industrial products, including conveyor belts, leading to reduced sales and profitability.
3. **Regulatory Changes:** Changes in regulations, particularly in the areas of environmental standards or labor laws, could increase operational costs or require significant adjustments to manufacturing processes.
4. **Technological Disruptions:** Rapid advancements in technology could render existing products or manufacturing processes obsolete, requiring continuous investment in innovation to stay competitive.
5. **Supply Chain Vulnerabilities:** Disruptions in the supply chain, whether due to geopolitical tensions, natural disasters, or other factors, could affect the availability of raw materials and impact production schedules.

OUR PRODUCT OFFERINGS



1. **Textile Conveyor Belts:** Textile conveyor belts are a type of conveyor belt designed for various industrial applications, featuring a textile-based reinforcement that provides flexibility and strength. These comes in different varieties which are described below:

Industrial General Purpose Conveyor Belts (M - 24)
Heat Resistant Conveyor Belts
Fire Resistant Conveyor Belts (FR)
Oil Resistant Conveyor Belts (OR)
Super Abrasion Resistant Conveyor Belts (SAR)
Impact Resistant Conveyor Belts With Breaker Ply

- a) **Industrial General Purpose Conveyor Belts:** These belts are versatile and widely used in various industries for transporting materials and products including airports, shipyards, thermal power plants etc. Industrial general-purpose conveyor belts provide a reliable and adaptable solution for a range of material handling tasks, making them a fundamental component in many industrial processes.
- b) **Heat Resistant Conveyor Belts:** Heat Resistant Conveyor Belts are specifically designed to operate in environments where high temperatures are a critical factor. These belts are engineered to withstand elevated temperatures and harsh conditions while maintaining their structural integrity and performance. Ideal for industries that involve high-temperature processes, these belts are essential for ensuring efficient and reliable material handling.

Specifications:

Belt Grades	Tensile Strength	Elongation At Break	Maximum Abrasion Loss	Polymer / Rubber	Working Temperature Range	Applications
EURO THER M Type	mPa, (Minimum)	% Minimum	mm ³		Degree, °C	
SHR-T1 (IS-1891, Part-I/II)	12.5	350	200	SBR Blend	100°C Max for Fines 125°C Max for Lumps	For hot materials such as crushed cement, foundry sand, fertilizers, clinker, coke etc.
SHR-T2 (IS-1891, Part-I/II)	12.5	350	200	SBR Blend	125°C Max for Fines 150°C Max for Lumps	For hot materials such as crushed cement, foundry sand, fertilizers, clinker, soda ash, coke etc.
SHR-T3 (Customized by ECBPI)	12.5	350	200	SBR Blend	150°C Max for Fines 180°C Max for Lumps (intermittent temp.)	Very hot & abrasive materials as above
UHR (Customized by ECBPI)	12	300	200	EPDM	180°C Max for Fines 250°C Max for Lumps (intermittent)	Hot coke, iron pellets, sintered ore, hot lime stone, cement clinker, soda ash etc.

- c) **Fire Resistant Conveyor Belt (FR):** Specifically designed these fire-resistant conveyor belts extinguish instantly and prevent fire from spreading over the entire belt. In order to ensure the fire-resistant properties of these belts, we conduct various testing according to ISO/IS/CANADIAN standards. These tests include drum friction test, flame test, electrical resistance test etc.

Our fire-resistant conveyor belts prevent fire risks in coal mines and reduce the maintenance of conveyors, which are prone to be damaged by flame at the blast furnaces of iron works. Apart from this, these fire-resistant belts also find usage in thermal power plants, mining industry, coal cleaning plants and other industries.

Specifications:

Belt Grades	Tensile Strength	Elongation At Break	Maximum Abrasion Loss	Polymer/Rubber	Working Temperature Range	Applications
Fire Resistant	mPa, (Minimum)	% Minimum	mm ³	Type	Degree, °C	
FR (IS-1891, P-I/V)	17	350	200	NR/SBR Blend	-30 to +70°	
FR (DIN-22102)	17	350	180	NR/SBR Blend	-30 to +70°	
FR (CAN/CSA/M422/M87)	17	350	200	NR/SBR Blend	-30 to +70°	Coal handling – Above ground and open cast mining. Coal handling- Power generation.
FR- ISO-340	17	350	175	NR/SBR Blend	-30 to +70°	

d) Oil Resistant Conveyor Belts (OR): The oil resistant synthetic rubber are used for conveying the components & parts coated with machine oil, heavy-oil treated coal in cooking plants & electric power generating plants. These oil resistant belts are also used for carrying oil coated fertilizers, soybean draff, fish, meat and other oily materials containing non-polar organic solvents & fuel.

These oil resistant belts are not affected by paraffin oil, naphthene-based oils, petrol, animal or vegetable fats etc.

Specification of OR Grade Belts

Belt Grades	Tensile Strength	Elongation At Break	Maximum Abrasion Loss	Polymer/Rubber	Working Temperature Range	Applications
Oil Resistant	mPa, (Minimum)	% Minimum	mm ³	Type	Degree, °C	
OR (IS-1891, Paty-I/II)	12	250	150	NBR Blend	-30 to +70°	For materials like grains, refuse, woodchips, fertilizers coated with neem oil, coated coal/coke, etc.
MOR (Customised by ECBPL)	12	250	250	NBR Blend	-30 to +70°	For materials with moderate amount of oil like grain, refuse, recycling waste, wood pulp, pinewood etc.

Specification of Oil & Heat Resistant Belts

Belt Grades	Tensile Strength	Elongation At Break	Maximum Abrasion Loss	Polymer / Rubber	Working Temperature Range	Applications
Oil Resistant	mPa, (Minimum)	% Minimum	mm ³	Type	Degree, °C	
OHR	12	300	180	NBR Blend	120°C Max	For hot & oily materials, coke plants, hot fertilizers etc.

- e) **Super Abrasion Resistant Conveyor Belts (SAR):** We are a manufacturer, supplier and exporter of abrasion resistant conveyor belting that find application in airports, shipyards, thermal power plants and various other industries. Engineered with utmost precision, these conveyor belts are widely used for the transportation of glass, cullet, granite, trap rock and other abrasive materials. These abrasion resistant conveyor belts are used for moving bulk product from production to storage and storage to production.

Specification of SAR Grade Belts

Belt Grades	Tensile Strength	Elongation At Break	Maximum Abrasion Loss	Polymer/ Rubber	Working Temperature Range	Applications
General Purpose	mPa, (Minimum)	% Minimum	mm ³	Type	Degree, °C	
W (DIN-22102) SAR-90	18	400	90	PBR Blend	-45 to +70°	Extremely abrasion material such as cold clinker, cold sinter, mortar, hard rock, etc.

- f) **Impact Resistant Conveyor Belt with Floating Breaker Ply:** A Floating breaker ply fabric is specially woven fabric between the cover & the carcass to improve impact resistant, adhesion & resistant from gouging or tearing. These belts are used in handling crushed & sized material which gives severe impact to the belt when lumps dropped at loading point. Applicable in crusher, cement & mining industries.

Industrial General Purpose Conveyor Belts (M - 24)



Eurotherm Heat Resistant Conveyor Belts



Fire Resistant Conveyor Belt (FR)



Oil Resistant Conveyor Belts (OR)



Super Abrasion Resistant Conveyor Belts (SAR)




Impact Resistant Conveyor Belt with Floating Breaker Ply



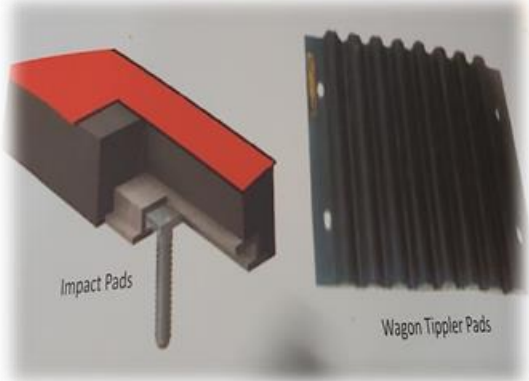


2. Pipe Conveyor Beltings: Europipe Conveyor Belts are primary used where bulk material must be conveyed along horizontal & vertical curves in confined spaces & where the environment has to be protected respectively, where spillage must be avoided. The Europipe Conveyor Belt can negotiate tight horizontal & vertical curves. This eliminates or reduces transfer points thus reducing the conveyor route which is a big cost saving. Inclined angle of up to 35° can be unproblematically overcome by using Europipe Conveyor Belt. Europipe Belt protect the conveyed material from external influences like rain & wind & protect the environment by avoiding spillage of conveyed material. Even in the bottom run no spillage will occur because the carrying side is inside the tube.

3. Special Purpose Conveyor Belts: The range of Special Purpose Belts Conveyor offered by us is widely used in industries to deal up with any kind of materials handling application. The different types of Special purpose conveyor belts are categorised below:


1	<p>Wavy Top Conveyor Belts-Wavy Top Belts come with wavy impression on top surface. These Belts have high grip top surface with high degree of friction similar to Rough Top belt. The feature that makes it distinct from rough top belt is the wavy top surface.</p>	
2	<p>Chevron Cleated Belts-Chevron Cleated Conveyor Belts have the advantage of cleats being integrally molded as a part of the top surface, preventing the materials from sliding backwards and are suitable for jointing by vulcanizing or by mechanical fasteners. Chevron belts are used for handling bulk material. While using a flat belt, the maximum angle of inclination is about 15-20°, but using a chevron belt this enables the inclination upto about 40°. The advantage of high angle inclination is that less space is needed to reach desired conveying height.</p>	
3	<p>Side Wall Conveyor Belts-We manufacture side wall with Filament Fabrics to provide required strength and hardness. Their cross-rigid base belt and corrugated rubber sidewalls combine with a variety of different-sized cleats to ensure that material stays in place. Available sizes for Side Wall Belts are 60mm to 120mm in height.</p>	
4	<p>Rough Top Belts- These Belts are used for handling baggage in cement & fertilizer plants. Profile or Rough surface manufactured with the help of impression fabric helps in carrying flat packages preventing slide-back problems.</p>	
5.	<p>Gravimetric Feeder Belt- Gravimetric feeder belts are integrally molded side walls belts with middle “V” guide in bottom side in truly endless without any joint for giving better life. They are manufactured as per IS 1891 part-1/1994 grade as M-24; as per IS 1891 part- V/1993/ISO 340 for fire resistance grade. Now a day’s, most of the power plants are using FR grade in place of normal M-24 grade. The jointless length depends on the feeder size. The maximum width is 1200 mm.</p>	

<p>6. Endless Belts- We manufacture Endless Belts In every grade as wells as for every Application with width varying from 500mm to 2000mm. Also, we provide Rough Top & Wavy Top Endless Belts.</p>	
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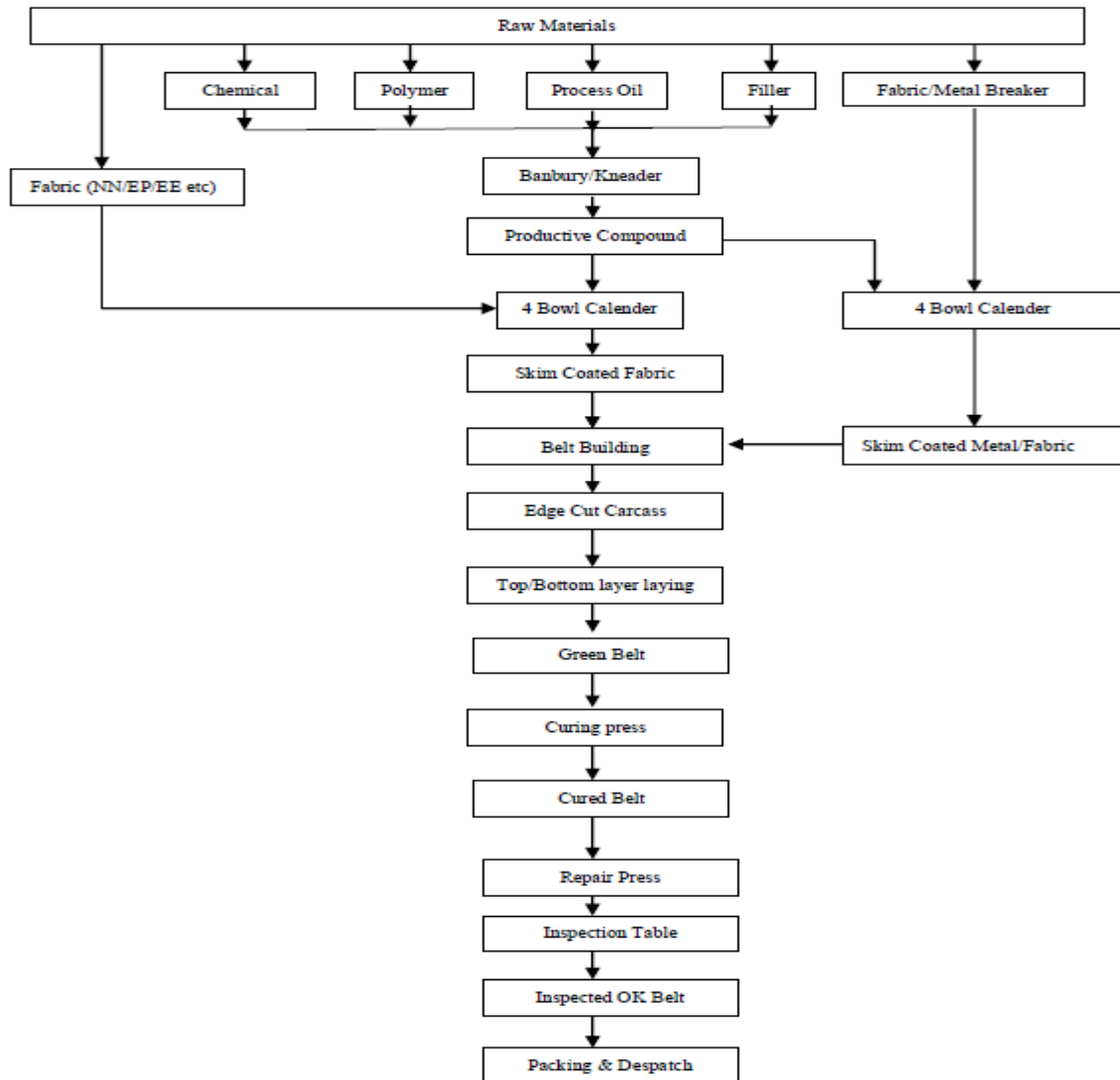
4. **Material Handling Accessories:** Our company offers accessories used in material handling installation/requirements such as Rubber Impact Pads, Lagging sheets and Conveyor Belt Repair Accessories.

<p>1. Rubber Impact Pads / Liners: Our rubber pads are manufactured using natural and synthetic rubbers. These rubber pads are available in different sizes, shapes, properties as per customer requirements and drawings. They have high tensile strength, proper abrasion properties, accurate dimension, and long service life. Our rubber pads are used in many applications including as:</p> <ul style="list-style-type: none"> • Wagon tippler impact blocks • Bridge bearing pads • Rubber liners for mines • Rubber Impact pads imbedded with UHMWPE/MS plate <p>Also, they are used as skirt rubber, anti-vibration pads and sheets, mounting pads, lift pads, silent blocks Etc</p>	
<p>2. Lagging Sheet: Rubber lagging is often applied in order to extend the life of the metal shell by providing a replaceable wearing surface or to improve the friction between a conveyor belt and the pulley. Notably drive pulleys are often rubber lagged for exactly this reason. Lagging of the conveyor pulley is essential to improve conveyor belt performance. The use of lagging reduces belt slippage, improves tracking and extends life of belt, bearing & other components. We manufacture rubber lagging sheets with diamond groove, herringbone pattern up to 2000 mm width and 6-25 mm thickness in long length.</p>	
<p>3. Conveyor Belt Repair Accessories: We provide Cold Repair Patches of Various width & Lengths to Repair the cuts & grudges on conveyor belts providing more than desired life. We also supply Rubber Dust and Rubber Paste for sealing opened edges during service life of belt.</p>	

5. **Vulcanizing Solution & Kit:** Vulcanizing Solution is a special adhesive used for bonding rubber components without the need of heat. Our company also manufacture these solutions and kits, details of which are mentioned below:

1.	<p>Hot Vulcanizing Solution: We have developed a kit for hot vulcanizing to perform effective repairs and jointing of conveyor belts. It is Suitable for pulley lagging, conveyor belt splice jointing; any rubber to metal bonding like tank lining, any rubber to-rubber bonding, any canvas-to-canvas bonding etc.</p>	
2.	<p>Cold Vulcanizing Solution: Cold Vulcanizing Adhesive has a very high bonding strength. Additionally, jointing and repairing rubber to rubber, rubber to metallic surfaces, metal to fabric, and rubber to fabric are done using this cold vulcanizing adhesive.</p>	
3.	<p>B Jointing Kit For Heat Resistive Belts: We provide HOT Jointing Kit for SHR & UHR Grades Belts which consist of Skim Rubber Compound, Cover Compound, Hot Vulcanizing Solution and Cleaning Agent. The Cover Compound and Skim Compound are same as the mother compound of the belt providing better joint life as compared to External Jointing Kit.</p>	

OUR MANUFACTURING PROCESS



The flowchart outlines the comprehensive process involved in manufacturing conveyor belts, beginning with the acquisition of raw materials, including chemicals, polymers, process oils, fillers, and various fabrics like NN, EP, and EE. These materials are initially processed in a Banbury or kneader machine, where they are mixed to form a productive compound. This compound is then passed through a 4 Bowl Calender, where it is coated onto fabrics or metal breakers, creating skim-coated fabric or metal/fabric layers that form the core structure of the conveyor belt.

Next, the belt-building phase begins, where the skim-coated materials are assembled into the belt structure. This includes cutting the edges of the belt carcass for proper alignment and adding top and bottom layers to achieve the desired thickness and properties. The assembled belt, referred to as a "green belt," is then subjected to vulcanization in a curing press, where heat and pressure solidify the belt, giving it its final shape and physical properties.

Once cured, the belt undergoes a repair process to fix any imperfections, followed by a thorough inspection to ensure it meets all quality standards. If the belt passes inspection, it is labeled as "Inspected OK." Finally, the approved conveyor belts are carefully packed and prepared for dispatch to customers. This systematic process ensures that each conveyor belt produced meets the highest standards of quality and durability, ready to perform reliably in various industrial applications.

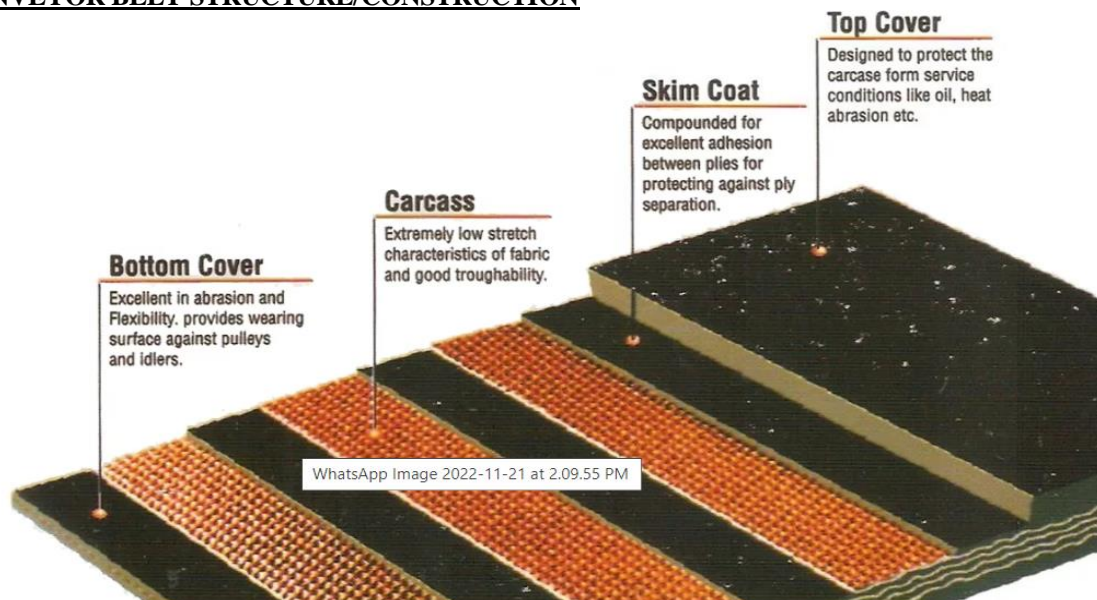
The whole process takes place in an assembly line until a furnished product is obtained.

Manufacturing process of conveyor belts is divided into following sections:

- 1) Mixing Section

- 2) Calendaring Section
 - 3) Building Section
 - 4) Curing Section
- 1) **Mixing Section:** The compound consisting of polymers, fillers, antioxidants, activators etc is prepared in kneader and then it is subjected to mixing mill for mixing of accelerators and vulcanizing agents..
 - 2) **Calendaring Section:** This process involves lamination of fabric with the rubber sheet. After mixing the rubber sheet is laminated with nylon fabric in three & four roll calendar.
 - 3) **Building Section:** In this process the laminated fabric is joined with the rubber covers to make a green (raw) belt.
 - 4) **Curing Section:** The curing Process takes place in fully PLC controlled hydraulic press with the help of automatic pressure and temperature controlled.

CONVEYOR BELT STRUCTURE/CONSTRUCTION



OUR MANUFACTURING FACILITIES

UNIT-I: F-51-52, Chambal Industrial Area Kota, Rajasthan – 324003, India.

This unit is incorporated since 2005 with the capacity of 30,000 meters per month with compliance to IS/ DIN / BS / JIS / AS / NF / EMR standard and Manufacturing Conveyor Belts up to the width of 2000 mm. It is Spread over an area of 5000 sq. mt and located at the Industrial Area of Education City Kota (Rajasthan) with capacity of around 30,000 meters per month. The manufacturing unit has various technically advanced machines including vertical injection molding machines, mixers, dosers, conveyors, loaders and many more. These machines are upgraded from time to time in order to successfully meet the dynamic market requirements.



Unit-II: Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003

This unit was inaugurated in year January 2023. We maintain a modern infrastructure that enables us to undertake production process in tune with global standards. It is Spreaded over an area of 20,000 sq. mt at Mandana Village of Kota (Rajasthan) with the capacity of around 40,000 meters per month and expanding, varying from 500 mm to 2,600 mm width. Our set-up is well equipped with most Advanced and Up to date Technology Machines such as 11 -D Bunbury (Compound Mixing Machine), 4 Roll L shape Calender Machine and PLC Operated Double Daylight Hydraulic Press.



OUR REVENUE BREAKUP

Particular	Fiscal 2022		Fiscal 2023		Fiscal 2024	
	Revenue	In %	Revenue	In %	Revenue	In %
M24 Belts	5387.23	64.80	5709.17	59.50	7781.46	55.35
Heat Resistance Belts	1429.94	17.20	1463.27	15.25	2052.56	14.60
Ultra Heal Resistance Belts	428.15	5.15	1127.44	11.75	2136.91	15.20
Fire Resistance Belts	727.44	8.75	825.19	8.60	1209.04	8.60
Oil & Fire Resistance	-	-	47.98	0.50	210.88	1.50

Belts						
Other Special Belts (Eg- Chevron, Rough Top, Pipe Conveyor etc.)	236.94	2.85	278.26	2.90	407.70	2.90
Vulcanizing Solutions & Kits	16.63	0.20	38.38	0.40	56.23	0.40
Rubber Lagging Sheets	87.29	1.05	105.55	1.10	161.67	1.15
Repair Strips	-	-	-	-	42.18	0.30
Total	8313.62	100.00	9595.24	100.00	14058.64	100.00

GEOGRAPHICAL WISE REVENUE DISTRIBUTION

Geographical Wise Breakup (Domestic & Export Sales)

(in Lakhs)

Particular	Fiscal 2022		Fiscal 2023		Fiscal 2024	
	Revenue	In %	Revenue	In %	Revenue	In %
Domestic Sales	8167.03	98.24%	9257.93	96.49%	13948.56	99.22%
Export Sales	146.59	1.76%	337.31	3.51%	110.08	0.78%
Total	8313.62	100.00%	9595.24	100.00%	14058.64	100.00%

Geographical Wise Breakup (State wise - Domestic Sales)

(in Lakhs)

Particular	Fiscal 2022		Fiscal 2023		Fiscal 2024	
	Revenue	In %	Revenue	In %	Revenue	In %
Andhra Pradesh	279.80	3.43%	567.72	6.13%	957.06	6.86%
Assam	7.92	0.10%	25.29	0.27%	25.06	0.18%
Bihar	19.12	0.23%	52.07	0.56%	127.40	0.91%
Chattisgarh	1555.04	19.04%	1117.91	12.08%	972.24	6.97%
Delhi	-	-	0.56	0.01%	7.17	0.05%
Gujarat	72.85	0.89%	41.21	0.45%	103.82	0.74%
Haryana	385.35	4.72%	541.89	5.85%	345.21	2.47%
Himachal Pradesh	3.24	0.04%	40.07	0.43%	43.40	0.31%
Jharkhand	304.98	3.73%	352.96	3.81%	599.49	4.30%
Karnataka	1200.15	14.70%	1379.07	14.90%	1449.53	10.39%
Madhya Pradesh	244.53	2.99%	108.49	1.17%	488.91	3.51%
Maharashtra	460.40	5.64%	292.17	3.16%	615.02	4.41%
Meghalaya	92.27	1.13%	14.65	0.16%	270.51	1.94%
Odisha	933.37	11.43%	1510.84	16.32%	2902.43	20.81%
Punjab	3.31	0.04%	40.96	0.44%	55.12	0.40%
Rajasthan	993.76	12.17%	1640.47	17.72%	1989.30	14.26%
Tamil Nadu	570.88	6.99%	160.35	1.73%	329.64	2.36%
Telangana	325.55	3.99%	241.76	2.61%	803.53	5.76%
Uttar Pradesh	146.33	1.79%	119.01	1.29%	137.34	0.98%
Uttarakhand	-	-	22.09	0.24%	2.09	0.01%
West Bengal	568.17	6.96%	988.38	10.68%	1724.30	12.36%
Total	8167.03	100.00%	9257.93	100.00%	13948.56	100.00%

Geographical Wise Breakup (Country wise - Export Sales)

(in Lakhs)

Particular	Fiscal 2022		Fiscal 2023		Fiscal 2024	
	Revenue	In %	Revenue	In %	Revenue	In %
DOHA	-	-	32.77	9.71%	-	-
KENYA	-	-	128.38	38.06%	-	-
KUWAIT	-	-	5.44	1.61%	-	-
NEPAL	138.11	94.22%	8.33	2.47%	30.57	27.77%
OMAN	-	-	93.89	27.83%	-	-

U.A.E.	8.48	5.78%	68.50	20.31%	79.51	72.23%
Total	146.59	100.00%	337.31	100.00%	110.08	100.00%

OUR CLIENT BASE

Our reach and presence in the industry can be comprehended by looking at our distinguished list of clientele. Our clients are spread across wide variety of sectors. Our strategy is to seek new customers and at the same time secure additional engagements from existing customers by providing timely and improved services.

Driven by customer centric approach, we work in close coordination with our clients so as to meet their specific requirements. Our experience enables us comprehend the need of clients and fabricate customized conveyor belts. For maintaining fruitful relationships with clients, we render services of installation, operational training and on-site support.

Furthermore, our transparent business policy and timely delivery schedules have elevated the satisfaction level of our clients to a great extent. Owing to our commitment to business, our remarkable market position is not just in the territorial limits of India but also across the borders.

The following table illustrates the concentration of our revenues among our top customers:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
Top 5 customers	3700.61	26.32	2581.45	26.90	2360.32	28.39
Top 10 customers	5670.67	40.33	4109.62	42.83	3647.22	43.87

(Rs. in Lakhs)

OUR LOCATIONS

Registered Office	F-53, Chambal Industrial Area, Industrial Estate, Kota, Rajasthan – 324003, India.
Unit-I	F-51-52 Chambal Industrial Area Kota, Rajasthan – 324003, India.
Unit-II	Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003

PLANT & MACHINERY

The below mentioned plant and machineries are installed at our manufacturing unit

Sr. No	Name of Major Machinery
1.	Diesel Generator Set
2.	Tools & tackles
3.	Die Cost
4.	Cold Feed Extruder
5.	Hydraulic Press
6.	Belt Building Machine
7.	Mixing Mill
8.	Kneader Machine

As certified by Chartered Engineer, Mahendra K Chauhan, pursuant to certificate dated August 13, 2024.

CAPACITY UTILIZATION

Unit-I: F-51-52, Chambal Industrial Area Kota, Rajasthan – 324003, India.

S. No.	Name of Product	Total Capacity Installed (Yearly)	2023-24		2022-23		2021-22	
			Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)
1.	Conveyor Belts	5100*	3189	62.53%	4716	92.47%	4996	97.96%

All rubber conveyor belt production data is measured by metric tons per year capacity.

Unit-II: Khasra No 117/2, 343/117 &344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003.

S. No.	Name of Product	Total Capacity Installed (Yearly)	2023-24		2022-23		
			Total Production	Capacity Utilization (in %)	Installed capacity for 16 Days [#]	Total Production	Capacity Utilization (in %)
1.	Conveyor Belts	7200*	4652	64.61%	315.62	212	67.17%

*Installed Capacity is measured yearly.

[#] Unit II Commenced production on March 15, 2023.

These assessments were conducted by a chartered engineer Mahendra Kr.Chauhan vide certificate dated August 13, 2024.

COLLABORATIONS/ TIE – UPS/ JOINT VENTURES

Except as disclosed in this Draft Red Herring Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Draft Red Herring Prospectus.

EXPORT AND EXPORT OBLIGATION

Our Company does not have any export obligation as on date.

UTILITIES AND INFRASTRUCTURE FACILITIES

Our registered office and manufacturing units are located at Kota. All our offices and manufacturing units are equipped with machines, computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Raw Materials

For making high quality rubber conveyor belts we use qualitative raw material sourced from reliable vendors. The different types of raw materials used in our manufacturing process are natural and synthetic rubber, nylon fabric, carbon black and various other rubber chemicals.

Power

Our Company requires power for the machines installed at the factory and normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the state electric supply. We also have generators to ensure uninterrupted power supply to our premises.

Water

Water is required for human consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

HUMAN RESOURCES

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on July 31, 2024 our Company has 108 employees on payroll. Our company also appoint employees on contract basis from nearby states. Break-up of our employees are as:

Particulars	No. of Employees
Key Managerial Persons	07
Skilled Employees	76
Un-skilled Employees	25

Total	108
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Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

SALES AND MARKETING

We have some reputed companies in the industry as our customers. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our team through their vast experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of such customers.

We have spread our presence to domestic markets with large sales potential, low infrastructure costs and the availability of professional expertise. We have experienced & skill management team to motivate the sub-ordinates & staff to step towards their achievements & organizational goals. With their efficient management skills & co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development & nourishment of the organization.

Our Unique Selling Propositions (USP) include:

1. **Application-Oriented Belt Proposals:** Customized belt solutions tailored to specific applications.
2. **Optimized Cover Grade Selection:** Enhancing belt life through the right cover grade selection.
3. **Sustainable Splice Joint Protocol:** Ensuring long-lasting dynamic splice joint efficiency.
4. **Precision Fabric Selection:** Balancing transverse rigidity and flexibility to minimize elongation.
5. **Moulded vs. Cut Edge Belts:** Ensuring suitability based on specific requirements.
6. **Pulley Lagging Compatibility:** Tailoring lagging materials to match pulley covers.
7. **Innovative Skirt Rubber Solutions:** Replacing old belt pieces with dedicated skirt rubber for better performance.
8. **Elongation Factors:** Addressing key factors that affect belt elongation.
9. **Belt Rating:** Aligning belt specifications with conveying capacity requirements.

COMPETITION

Competition is a significant factor that can impact our business. The big companies have a considerable presence in the market and offer a broad range of products across the world. They have a well-established brand image, large teams, and extensive resources, which enable them to offer products at competitive rates.

Apart from these big players, the market also has several other small and mid-sized product providers. While they may not pose significant competition to us, they are still a threat as they offer competitive pricing and can cater to niche requirements that we may not be able to fulfil. Additionally, new startups are emerging in the market, which are agile, innovative, and are rapidly growing. They are leveraging the latest technologies and are adopting unconventional business models, which can pose a threat to us in the long run.

We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business. We believe that our technical capabilities, experience in this business and quality assurance will be key to overcome competition posed by such organized and unorganized players.

PROPERTY

Intellectual Property

Set forth below are the trademarks registered/abandoned/objected in the name of our Company under the Trademarks Act, 1999:

Sr. No.	Description	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Status
1.	Registration for Trade Mark for	2064677	7	Trade Marks Act, 1999	Trade Marks Registry,	Issued on June 22,	December 06,	Registered

	Logo* 				Ahmedabad	2012 and renewed on February 16, 2020	2030	
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The Details of Domain Name registered on the name of the Company is: -

SL No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	eurekabeltings.com	PDR Ltd./303	August 10, 2005 Updated on March 02, 2023	August 10, 2030

IMMOVABLE PROPERTY

Details of our properties are as follows: -

Properties owned/Leased by the Company

S. No.	Details of the Property	Licensor/Lessor/Vendor	Owned/Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use
1.	F-53, Chambal Industrial Area, Industrial Estate Kota, Rajasthan – 324003, India.	M/s. Indana Rubber Industries	Leased	Rent Agreement dated June 01, 2024 between M/s. Indana Rubber Industries through its partner Mr. Raj Kumar Khubchandani and M/s. Eureka Conveyor Beltings Private Limited through its director Mr. Sumit Khubchandani for a period of 11 months effective from June 01, 2024 at a monthly rent of Rs.1,50,000/-	Registered Office
2.	F-51-52, Chambal Industrial Area Kota, Rajasthan – 324003, India.	Rajasthan State Industrial Development & Investment Corporation Limited	Owned	<p>Sale deed for F-51 Chambal Industrial Area Kota, Rajasthan – 324003, India dated December 20, 2022 between Rajasthan State Industrial Development & Investment Corporation Limited and M/s. Eureka Products Private Limited for a consideration of Rs.2,75,000.</p> <p>Sale Deed of F-52 Chambal Industrial Area Kota, Rajasthan – 324003, India dated October 18, 1994 between Rajasthan State Industrial Development & Investment Corporation Limited and M/s Eureka Products Private Limited for a consideration of Rs.2,50,000.</p> <p>Amendment Deed dated September 27, 2005 between Rajasthan State Industrial Development & Investment Corporation Limited and M/s. Eureka Conveyor Belting Private Limited for merging both</p>	Manufacturing Unit-I

				the plots and changing name from M/s Eureka Products Private Limited to M/s. Eureka Conveyor Belting Private Limited	
3.	Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003	Deewan Singh S/o Shankar Singh (Khasra No.117/2), R/O 119, Shopping Center, Kota, Rajasthan-324005 Soniya Sharma W/O Mahesh Sharma, 148-A,Pratap Nagar, Dadabadi ,Kota Rajasthan-324009	Owned	Sale deed of Khasra No 117/2 between Deewan Singh S/o Shankar Singh and Eureka Conveyor Beltings Private Limited through director Raj Kumar Khubchandani for a consideration of Rs 72,60,000. Sale deed of Khasra No 343/117 & 344/132 between Eureka Conveyor Beltings Private Limited through director Sumit Khubchandani for a consideration of Rs 75,00,000.	Manufacturing Unit-II

KEY INDUSTRY REGULATIONS AND POLICIES

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. 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 are 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 number 193 of this Draft Red Herring Prospectus.

BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE-RELATED LAWS AND REGULATIONS:

Rubber Act, 1947

The rubber industry in India is regulated by the Rubber Act, 1947 (“Rubber Act”) and the rules framed thereunder. The Rubber Act provides for the constitution of a Rubber Board with the purpose of development of the rubber industry. Under the Rubber Act, the central government has been conferred with the power to prohibit or control imports and exports of rubber. Further, the Rubber Act provides that a person shall not possess, sell or acquire rubber without a general or special license issued by the Rubber Board. Every general license is published by the Rubber Board in the Official Gazette and in such newspapers as directed by the Rubber Board, while the special license is accorded for a limited period and is subject to extension by the Rubber Board. In the event of default of the provisions of the Rubber Act, the defaulter will be punishable with imprisonment for the term which may extend to one year or with fine which may extend to one thousand rupees or both.

The Indian Boilers Act, 1923

The Indian Boilers Act, 1923 (the “Boilers Act”) states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed thereunder to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twentyfour months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

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 or articles of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The 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.

Public Liability Insurance Act, 1991

Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the owner shall be liable to give such relief as is specified in the Schedule for such death, injury or damage.

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“Legal Metrology Act”) came into force on March 1, 2011. The Legal Metrology Act provides that the units of weights and measures must be in accordance with the metric system based on the international system of units, and prohibits quotations made otherwise. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment. The Legal Metrology Act regulates the trade and commerce in weights and measures, and provides for the appointment of a director, controller and other legal metrology officers, and empowers them to undertake inspection or forfeiture to ensure compliance with its provisions. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures. The Legal Metrology Act allows companies to nominate a person who will be held responsible for the breach of provisions of this legislation.

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 was enacted. With effect from July 01, 2020 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs.1 Crore and annual turnover does not exceed Rs. 5 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.10 crore and annual turnover does not exceed Rs. 50 Crore; a Medium enterprise, where the investment in plant and machinery does not exceed Rs. 50 crore and annual turnover does not exceed Rs. 250 Crore.

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

Air (Prevention and Control of Pollution) Act, 1981 (the Air Act)

The Air 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 Air Act has declared several areas as air pollution control areas and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air 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 Act)

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water 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 this 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 this Act.

The Hazardous and other Wastes (Management & Trans-boundary 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 Trans-boundary Movement) Rules, 2008 in supersession of former notifications. The Rules lay down corresponding duties of various authorities such as the Ministry of Environment and Forests, Central Pollution Control Board, State/UT Govts., State Pollution Control Boards / Pollution Control Committees, Director General of Foreign Trade, Port Authority and Custom Authority. State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handling and their disposal.

Environment Impact Assessment Notification of 2006

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

FOREIGN INVESTMENT LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The FTDR is the main legislation concerning foreign trade in India. The FTDR, 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 wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR 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 a penalty under the FTDR.

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 Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 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 warrants; 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 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 to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection of foreign exchange. The Government shall also issue an 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, harbors 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.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India (“RBI”) also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Duty Drawback Scheme

The duty drawback scheme is an option available to exporters. Under this scheme, exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him. It neutralizes the duty impact in the goods exported. Relief of customs and central excise duties suffered on the inputs used in the manufacture of export product is allowed to exporters. The admissible duty drawback amount is paid to exporters by depositing it into their nominated bank account. Section 75 of the Customs Act, 1962 and Section 37 of the Central Excise Act, 1944, empower the Central Government to grant such duty drawback. Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (the “Drawback Rules”) have been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities 126 processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme.

The all industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture. Brand rate of duty drawback is granted in terms of rules 6 and 7 of the Drawback Rules in cases where the export product does not have any all industry rate or duty drawback rate, or where the all industry rate duty drawback rate notified is considered by the exporter insufficient to compensate for the customs or central excise duties suffered on inputs used in the manufacture of export products. For goods having an all industry rate, the brand rate facility to particular exporters is available only if it is established that the compensation by all industry rate is less than 80% of the actual duties suffered in the manufacture of the export goods.

Merchandise Exports from India Scheme

Pursuant to the Foreign Trade Policy (2015-2020), the Merchandise Exports from India Scheme (the “MEI Scheme”) was introduced to provide rewards to exporters to offset infrastructure inefficiencies and associated costs in export of goods, especially those having high export intensity, employment potential and ability to enhance India’s export competitiveness. Export of notified goods to notified markets are rewarded under the MEI Scheme. The basis for calculation of the reward under the MEI Scheme is on the Free on Board (“FOB”) value of exports realized in free foreign exchange or on the FOB value of exports mentioned in the shipping bill, whichever is less, unless otherwise specified. With effect from June 1, 2015, the MEI Scheme mandatorily requires a declaration of intent to be endorsed on the shipping bills (except free shipping bills) to be eligible to claim any reward under the MEI Scheme.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:

Shops and Establishments laws in various states

As per the provisions of local Shops and Establishments laws applicable in the State of Rajasthan, establishments are required to

be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Stamp Act in various states

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Rajasthan is empowered to prescribe or alter the stamp duty as per their need.

Professions, Trade, Callings and Employments Act in various states

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 Rajasthan 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.

Classification of fire prevention and safety measures and other local licensing.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

GENERAL CORPORATE LAWS:

Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of the President of India on 29th August 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private companies into public companies and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and 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.

Securities Laws

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

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 buyers and sellers, 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, 1908 (“Registration Act”) was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

The Indian Contract Act, 1872

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

The Specific Relief Act, 1963

The Specific Relief Act is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of the agreement, instead of imposing on him any monetary liability to pay damages to the 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. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. 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 cheques 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.

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 which is assessed for 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. Every such Company is also required to file its returns by September 30 of each assessment year.

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 are 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 it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

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 allow 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 by 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 thereunder.

- **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 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 favourable 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 Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing 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 provisions of this code will be brought into force on a date to be notified by the Central Government.

- **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, 20 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.

- **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **The 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. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provides for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provide that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of

employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions 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 having 50 or more workmen employed, so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial establishment. The highlights of the Standing Orders are 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.

The 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 9 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 relevant 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 Employee’s Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee’s Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. 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 7 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. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees’ State Insurance Corporation.

- **Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)**

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 an 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 10 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 10 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 10 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 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 this Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

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 constitute an “Internal Complaints Committee” and every officer and member of the Committee 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, organising 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 occupations and to regulate the conditions of work of children in certain other occupations. 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 Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

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

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 Trade Marks 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.

ANTI-TRUST LAWS

Competition Act, 2002

The Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect the interest of consumers 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

Prevention of Black Marketing and Maintenance of Supplies Act, 1980

The “Prevention of Black Marketing and Maintenance of Supplies Act” came in 1980. It is an "Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith".

Prevention of Money Laundering Act, 2002

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimize the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe havens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention. Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generates it. In essence, the laundering enables criminal activity to continue.

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchange (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Transfer of Property Act, 1882, Information Technology Act, 2000 etc. are also applicable to the Company.

HISTORY AND CORPORATE STRUCTURE

Brief History and Background

Our Company was originally incorporated as “Eureka Products Private Limited” vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur, Rajasthan. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Eureka Conveyor Beltings Private Limited” to “Eureka Conveyor Beltings Limited” vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U25201RJ1993PLC007425.

Our Company was originally promoted by Mr. Ram Babu and Mr. Govind Ram Mittal who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani, Mrs. Bhakti Khubchandani are the present promoters of our Company.

As on date of this Draft Red Herring Prospectus, our Company has 8 shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “Industry Overview”, “Business Overview”, “Our Management”, “Financial information of our company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 106, 119, 155, 179, and 181 respectively.

Address of Registered Office:

The Registered Office of the Company is situated at F-53, Chambal Industrial Area, Industrial Estate, Kota-324003, Rajasthan, India.

Changes in Registered Office of the Company since incorporation

There has not been any change in our Registered Office since incorporation till date of this Draft Red Herring Prospectus except below change:

From	To	With effect from	Reason for Change
B-43, Indra Prastha Industrial Area, Kota-324005, Rajasthan-India	Parmeshwaran , 107 Shakti Nagar, Kota-324009, Rajasthan,India	21/01/1995	For Administrative Convenience
Parmeshwaran , 107, Shakti Nagar, Kota-324009, Rajasthan,India	F-52, Chambal Industrial Area, Kota-324003, Rajasthan,India	20/04/1999	For Administrative Convenience
F-52, Chambal Industrial Area, Kota-324003, Rajasthan,India	F-51, 52, Chambal Industrial Area, Industrial Estate Kota-324003,Rajasthan,India	10/01/2024	For Administrative Convenience
F-51, 52, Chambal Industrial Area, Industrial Estate Kota-324003,Rajasthan,India	F-53, Chambal Industrial Area, Industrial Estate, Kota-324003, Rajasthan, India	01/06/2024	For Administrative Convenience

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- To carry on the business of manufacturing, processing, fabricating, assembling, importing, exporting, buying, selling, distributing, repairing, dealing in all kinds of conveyor beltings including but not limited to Rubber Conveyor belting, Steel Cord Conveyor belting, PVC Conveyor Belting, all type of conveyor system and conveyor accessories, Industrial belting fabrics, various types of rubber products, rubber compounds, rubber sheets, rubber seals, industrial chemicals and related products made from rubber or any other material, including synthetic rubber, plastic, or any combination thereof.
- To design, develop, patent, acquire, import, and export conveyor belting systems, machinery, equipment, tools, and accessories required for the manufacturing, installation, maintenance, and operation of conveyor beltings.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1	Change in name from Eureka Products Private Limited to Eureka Conveyor Beltings Private Limited	July 18, 2005	Extra-Ordinary General Meeting
2.	Increase in Authorised Capital of the Company 20,00,000(Rupees Twenty Lacs only) divided into 2,00,000 (Two Lacs) equity shares of Rs. 10/ (Rupees Ten) each. to Rs. 40,00,000(Rupees Fourty Lacs only) divided into 4,00,000 (Four Lacs) equity shares of Rs. 10/- (Rupees Ten) each.	January 27, 2008	Extra-Ordinary General Meeting
3.	Increase in Authorised Capital of the Company from Rs. 40,00,000 (Rupees Fourty Lacs only) divided into 4,00,000 (Four Lacs) equity shares of Rs. 10/- (Rupees Ten) each.to Rs. 60,00,000 (Rupees Sixty Lacs only) divided into 6,00,000(Six Lacs) equity shares of Rs. 10/- (Rupees Ten) each.	January 31, 2012	Extra-Ordinary General Meeting
4	Increase in Authorised Capital of the Company from Rs 60,00,000 (Rupees Sixty Lacs only) divided into 6,00,000(Six Lacs) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 20,00,00,000(Rupees Twenty Crores only) divided into 20,00,000 (Twenty Lacs) equity shares of Rs. 10/- (Rupess Ten) each.	February 10, 2024	Extra-Ordinary General Meeting
5	Alteration in Object Clause of the Company	April 8, 2024	Extra-Ordinary General Meeting
6	Conversion of Company into Public Limited Company and change in name of company from Eureka Conveyor Beltings Private Limited to Eureka Conveyor Beltings Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Central Processing Centre dated June 27, 2024	April 8, 2024	Extra-Ordinary General Meeting

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra Ordinary General Meeting of the Company dated April 8, 2024.

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
1993-94	Incorporation of the Company in the name and style of “Eureka Products Private Limited”
2005-06	Change in name from Eureka Products Private Limited to Eureka Conveyor Beltings Private Limited
2024-25	Converted into Public Limited Company vide fresh certificate of incorporation dated June 27, 2024

Other Details about our Company

For details of our Company’s activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled “Business Overview”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 119, 181 and 98 respectively of this Draft 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 pages 155 and 63 of this Draft Red Herring Prospectus respectively.

Acquisition of Business/Undertakings & Amalgamation

Except as disclosed in this Draft Red Herring Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of this Draft Red Herring Prospectus, there is no holding company of our Company.

Subsidiary of our Company

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

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 63 of this Draft Red Herring Prospectus. For details of our Company’s debt facilities, please refer section “Financial Information of our Company” on page 179 of this Draft 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.

Injunction or restraining order

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

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Red Herring Prospectus. Furthermore, except as disclosed in chapter titled “Capital Structure” beginning on Page 63 of this Draft Red Herring Prospectus, none of the Company’s loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

Shareholders of our Company:

Our Company has 8 shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled “Our Management” on page 155 of this Draft Red Herring Prospectus.

Changes in activities of our Company during the last five (5) years

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 181 of this Draft Red Herring Prospectus.

Shareholders Agreement

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders’ agreements among our Shareholders vis-a-vis our Company, which our Company is aware of.

Collaboration Agreements

As on the date of this Draft Red Herring Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

OTHER AGREEMENTS

Non-Compete Agreement

Our Company has not entered into any Non-competes Agreement as on the date of filing of this Draft Red Herring Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Draft Red Herring Prospectus, Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Draft Red Herring Prospectus.

Corporate Profile of our Company

For details on the description of our Company's activities, the growth of our Company, please see "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis of Issue Price" on pages 119, 181 and 98 of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company has Nine (9) directors comprising, six Executive Directors, and three Non-Executive Independent Directors. The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
1.	<p>Mr. Raj Kumar Khubchandani Father Name: Late Shri Vishan Das Khubchandani Date of Birth: May 8, 1952 Age: 72 Years Designation: Chairman & Whole Time Director Address: Pent House 1001, Royal Arterna, 10th Floor, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India Experience: 43 Years Occupation: Business Qualifications: Bachelor of Commerce Nationality: Indian DIN: 00954559</p>	<p>Originally appointed on the Board as Director w.e.f. September 15, 1994</p> <p>Further Re- designated as Chairman & Whole time Director for a period of 5 years w.e.f. July 01, 2024 not liable to be retire by rotation.</p>	<p>6,71,760 Equity Shares of ₹ 10 each; 4.66% of Pre-Issue Paid Up Capital</p>	<p>Indian Companies- Nil</p> <p>Foreign Companies- Nil</p>
2.	<p>Mr. Bharat Kumar Khubchandani Father Name: Late Shri Vishan Das Khubchandani Date of Birth: September 19, 1957 Age: 66 Years Designation: Managing Director Address: 107, Shakti Nagar, Kota-324009, Rajasthan, India Experience: 43 Years Occupation: Business Qualifications: Bachelor of Engineering (Mechanical) Nationality: Indian DIN: 00954576</p>	<p>Originally appointed on the Board as Director w.e.f. September 15, 1994</p> <p>Further Re- designated as Whole time and Managing Director w.e.f. July 01, 2024 not liable to be retire by rotation</p>	<p>4,31,760 Equity Shares of ₹ 10 each; 3% of Pre- issue Paid up capital</p>	<p>Indian Companies- Nil</p> <p>Foreign Companies- Nil</p>
3.	<p>Mr. Sumit Khubchandani Father Name: Mr. Raj Kumar Khubchandani Date of Birth: January 11, 1981 Age: 43 Years Designation: Whole Time Director & Chief Financial officer Address: Pent House 1001, Royal Arterna, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India . Experience: 19 Years Occupation: Business Qualifications: Bachelor of Engineering Nationality: Indian DIN: 00954610</p>	<p>Originally appointed on the Board as Director w.e.f. November 30, 2004</p> <p>Further designated as Whole-Time Director w.e.f July 01, 2024 liable to be retire by rotation and Chief Financial Officer w.e.f July 01, 2024</p>	<p>37,68,000 Equity Shares of ₹ 10 each; 26.17% of Pre- issue Paid up capital</p>	<p>Indian Companies: Nil</p> <p>Foreign Companies- Nil</p>
4.	<p>Mr. Nitin Khubchandani Father Name: Mr. Bharat Kumar Khubchandani Date of Birth: February 13 ,1985 Age: 39 Years</p>	<p>Originally appointed on the Board as Director w.e.f. November 30, 2004.</p>	<p>32,16,000 Equity Shares of ₹ 10 each; 22.33% of Pre- issue Paid up capital</p>	<p>Indian Companies- Nil</p> <p>Foreign Companies- Nil</p>

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	Designation: Whole Time Director Address: Royal Artena, Flat No. 701-702, Plot No. -658, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan Experience: 19 Years Occupation: Business Qualifications: Bachelor of Engineering Nationality: Indian DIN: 01374788	Further Re- designated as Whole time Director w.e.f. w.e.f July 01, 2024 liable to be retire by rotation		
5.	Mr. Puneet Khubchandani Father Name: Mr. Bharat Kumar Khubchandani Date of Birth: March 5,1986 Age: 38 Years Designation: Whole Time Director Address: Royal Artena, Flat No. 701-702, Plot No. -658, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan Experience: 12 Years Occupation: Business Qualifications: Bachelor of Engineering Nationality: Indian DIN: 03612380	Originally appointed on the Board as Director w.e.f September 30, 2011 Further Re- designated as Whole time Director w.e.f. July 01, 2024 liable to be retire by rotation	32,16,000 Equity Shares of ₹ 10 each; 22.33% of Pre-issue Paid up capital	Indian Companies- Nil Foreign Companies- Nil
6.	Mrs. Bhakti Khubchandani Father Name: Mr. Prem Chand Santvani Date of Birth: August 15 ,1986 Age: 37 Years Designation: Whole Time Director Address: Pent House 1001, Royal Artena, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India Experience: 12 Years Occupation: Business Qualifications: Master of Commerce Nationality: Indian DIN: 03612379	Originally appointed on the Board as Director w.e.f. September 30, 2011 Further Re- designated as Whole time Director w.e.f. July 1, 2024 liable to be retire by rotation	24,00,240 Equity Shares of ₹ 10 each; 16.67% of Pre-issue Paid up capital	Indian Companies- Nil Foreign Companies- Nil
7.	Mr. Atul Sobti Father Name: Mr. Roshan Lal Sobti Date of Birth: June 20 , 1959 Age: 65 Years Designation: Independent Director Address: F-497, Vikas Puri, West Delhi, Delhi- 110018 Experience: 43 Years Occupation: Service Qualifications: Bachelor of Engineering (Mechanical), Diploma in Project Management, Post Graduate Diploma in International Management Nationality: Indian DIN: 06715578	Appointed as Non-Executive Independent Director for a period of 5 years w.e.f July 22, 2024 and shall not be liable to retire by rotation.	NIL	Indian Companies: ➤ Afcons Infrastructure Limited Foreign Companies- Nil
8.	Mr. Suresh Kishnani Father Name: Mr. Chhatumal Kishnani Date of Birth: May 5, 1962 Age: 62 Years	Appointed as Non-Executive Independent Director for a period of 5	NIL	Indian Companies: Nil Foreign Companies- Nil

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
	Designation: Independent Director Address: Unit No. 1002, 10 th Floor, Jewel of India, Tower G, JLN Marg, Malviya Nagar, Jaipur- 302017, Rajasthan, India Experience: Not Available Occupation: Retired Qualifications: Bachelor of Laws, Bachelor of Engineering, Master of Technology in Structural Engineering, Nationality: Indian DIN: 03270986	years w.e.f July 22, 2024 and shall not be liable to retire by rotation.		
9.	Mr. Atishay Jain Father Name: Mr. Rakesh Jain Date of Birth: June 4, 1986 Age: 38 Years Designation: Independent Director Address: Jain Bhawan, Station Road, Opposite Natraj Cinema, Kota JN, Kota-324002, Rajasthan, India Experience: 12 Years Occupation: Professional Qualifications: Chartered Accountant, Bachelor of Commerce Nationality: Indian DIN: 10641809	Appointed as Non-Executive Independent Director for a period of 5 years w.e.f July 22, 2024 and shall not be liable to retire by rotation	NIL	Indian Companies: Nil Foreign Companies- Nil

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Raj Kumar Khubchandani, Chairman and Whole Time Director , Age: 72 Years

Mr. Raj Kumar Khubchandani, aged 72 years is Chairman & Whole Time Director and also the Promoter of our Company . He was originally appointed on the Board on September 15, 1994 as the Director of the Company and further redesignated as Chairman and Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, not liable to retire by rotation. He holds degree of Bachelor of Commerce. He has around 43 years of rich industrial experience.

Mr. Raj Kumar Khubchandani has been instrumental in providing strategic direction and leadership, significantly enhancing the company's growth and profitability. His responsibilities have encompassed overseeing all financial operations, including budgeting, forecasting, and conducting comprehensive financial analyses. Additionally, his role involved making critical decisions that align with our company's objectives and long-term goals.

Mr. Raj Kumar Khubchandani has also played a pivotal role in developing and nurturing strong relationships with stakeholders and regulatory bodies, facilitating successful business initiatives and ensuring that corporate affairs are conducted to the highest standards of compliance and integrity. He is professionally sound and hard-working whose dedication in taking contribution and initiative for the organization has proven helpful in the establishment repeatedly.

2. Mr. Bharat Kumar Khubchandani, Managing Director, Age: 66 Years

Mr. Bharat Kumar Khubchandani, aged 66 years is the Managing Director and Promoter of our Company. He was originally appointed on the Board on September 15, 1994 as the Director of the Company and further redesignated as Managing Director w.e.f. July 1, 2024 for a period of 5 years, not liable to retire by rotation. He holds degree of Bachelor of Engineering in Mechanical Engineering. He has around 43 years of rich industrial experience. Mr. Bharat Kumar Khubchandani has successfully spearheaded strategic initiatives that have significantly contributed to the company's growth and market expansion. His leadership in driving research and development efforts has been pivotal in innovating new rubber technologies that keep us at the forefront of the industry.

Mr. Bharat Kumar Khubchandani has been instrumental in fostering strong relationships with key stakeholders, enhancing business

growth and ensuring sustainability. His adeptness in directing and managing operational activities has maintained efficient production and delivery of top-quality products, sustaining our reputation in the market.

3. Mr. Sumit Khubchandani, Whole Time Director and Chief Financial Officer, Age: 43 Years

Mr. Sumit Khubchandani, aged 43 years is one of the Promoter and Whole Time Director & Chief Financial Officer of our Company. He was appointed on the Board on November 30, 2004 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 19 years of rich industrial experience.

Mr. Sumit Khubchandani has been instrumental in leading our marketing department. His responsibilities have included overseeing sales and spearheading business development initiatives, significantly contributing to the growth and success of our company in both domestic and international markets. His expertise in market analysis, strategic planning, team leadership, and marketing strategy development has proven invaluable. He has demonstrated a profound understanding of various marketing techniques and concepts, which have greatly contributed to our company's ongoing success and competitiveness.

He has been appointed as Chief Financial Officer of our Company w.e.f. July 1, 2024.

4. Mr. Nitin Khubchandani, Whole Time Director, Age: 39 Years

Mr. Nitin Khubchandani, aged 39 years is one of the Promoter and Whole Time Director of our Company. He was appointed on the Board on November 30, 2004 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 19 years of rich industrial experience.

Mr. Nitin Khubchandani has played a pivotal role in overseeing the production, purchase, and technology departments of our company. His dynamic and results-oriented approach has significantly contributed to the operational efficiencies and innovation within our organization. He has played a crucial role in optimizing our company's production processes. His leadership has resulted in enhanced efficiency and cost savings, as well as the achievement of production targets. Additionally, he has streamlined our purchase processes, ensuring cost-effectiveness, optimization of procurement processes, and timely delivery of materials, thereby contributing significantly to our operational success.

His commitment to innovation has been evident through his spearheading of the adoption of new technologies within our organization. These initiatives have not only enhanced product quality but also streamlined our operations, ensuring we remain at the forefront of technological advancement in our industry.

5. Mr. Puneet Khubchandani, Whole Time Director, Age: 38 Years

Mr. Puneet Khubchandani, aged 38 years is one of the Promoter and Whole Time Director of our Company. He was appointed on the Board on September 30, 2011 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 12 years of rich industrial experience.

Mr. Puneet Khubchandani has been instrumental in spearheading sales initiatives that have resulted in substantial annual revenue growth. His strategic sales strategies have enabled us to penetrate new markets and expand our customer network, thereby enhancing our company's market presence and competitiveness. He has demonstrated outstanding leadership qualities by providing direction and mentorship to our sales teams, ensuring they meet and exceed company goals and objectives effectively. His ability to nurture enduring partnerships with crucial clients and stakeholders has resulted in sustained business relationships and recurring transactions, further solidifying our position in the industry.

6. Mrs. Bhakti Khubchandani, Whole Time Director, Age: 37 Years

Mrs. Bhakti Khubchandani, aged 37 years is one of the Promoter and Whole Time Director of our Company. She was appointed on the Board on September 30, 2011 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. She holds degree of Master of Commerce. She has around 12 years of rich industrial experience.

Mrs. Bhakti Khubchandani has been responsible for overseeing and managing administrative operations to effectively support the organization's goals and objectives. She has successfully implemented streamlined administrative processes and systems, optimizing productivity and efficiency within the company. She has provided exemplary leadership by supervising administrative

staff and creating training and development programs to foster growth and skill enhancement within the administrative team. Furthermore, she has maintained a high standard of compliance with company policies, regulations, and legal requirements, ensuring smooth operations and adherence to best practices.

7. Mr. Atul Sobti , Non-Executive & Independent Director, Age: 65 Years

Mr. Atul Sobti, aged 65 years is Non-Executive and Independent Director of our Company. He was appointed on the Board as Independent Director w.e.f. July 22, 2024 for a period of 5 years and shall not be liable to retire by rotation . He holds the degree of Bachelor of Engineering. He also holds a diploma in Project Management and Post Graduate Diploma in International Management. He has around 43 years of Professional experience.

He is a distinguished leader in India's public Sector, currently serving as the Director General of Standing Conference of Public Enterprises (SCOPE), an apex body of the Public Sector Enterprises of India. He previously led Bharat Heavy Electricals Limited (BHEL) as Chairman and Managing Director.

As a Non-Executive Independent Director, he brings a strategic vision and deep understanding of public sector dynamics to the board. His extensive experience in corporate governance, policy formulation, and stakeholder engagement provides valuable insights that help guide the company's strategic direction and ensure compliance with regulatory and ethical standards.

8. Mr. Suresh Kishnani , Non-Executive & Independent Director, Age: 62 Years

Mr. Suresh Kishnani aged 62 years is Non –Executive and Independent Director of our Company. He was appointed on the Board as Independent Director w.e.f. July 22, 2024 for a period of 5 years and shall not be liable to retire by rotation. He holds the degree of Bachelor of Laws, Bachelor of Engineering and Master of Technology in Structural Engineering. He is Retired Principal Chief Commissioner, Customs and Central Taxes, Vishakhapatnam.

As a Non-Executive Independent Director, he offers valuable insights into regulatory frameworks, compliance, and risk management. His extensive experience in government and public policy equips him to provide strategic guidance on matters related to taxation and regulatory oversight, ensuring that the company adheres to the highest standards of governance and compliance.

9. Mr. Atishay Jain, Non-Executive & Independent Director, Age: 38 Years

Mr. Atishay Jain aged 38 years is Non –Executive and Independent Director of our Company. He was appointed on the Board as Independent Director w.e.f. July 22, 2024 for a period of 5 years and shall not be liable to retire by rotation. He is a Fellow member of Institute of Chartered Accountants of India. He also holds the degree of Bachelor of Commerce.

He has strong command over various aspects of taxation (direct and indirect), Corporate Taxation, along with handling the Statutory compliances of Companies. His area of expertise includes Corporate Taxation, Audits, Accountancy and Tax Planning and Structuring. He has around 12 years of rich Professional Experience.

As a Non-Executive Independent Director he brings an objective and independent perspective to the board, ensuring that the highest standards of corporate governance are maintained. His deep understanding of financial regulations and ethical practices makes him a valuable asset to the company's board, particularly in overseeing audit functions and financial reporting processes.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft 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.
- 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.
- None of the above-mentioned Directors are on the RBI list of willful defaulters or fraudulent borrower as on the date of filing of this Draft Red Herring Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Directors and promoters of our company.

Except as disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page 190 of this Draft Red Herring Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Nature of any family relationship between any of our Directors:

Except as given below none of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

Sr. No	Name of Director	Nature of Relationship
1.	Mr. Raj Kumar Khubchandani	Brother of Mr. Bharat Kumar Khubchandani Father of Mr. Sumit Khubchandani Father in Law of Mrs. Bhakti Khubchandani
2.	Mr. Bharat Kumar Khubchandani	Brother of Mr. Raj Kumar Khubchandani Father of Mr. Nitin Khubchandani Father of Mr. Puneet Khubchandani
3.	Mr. Sumit Khubchandani	Son of Mr. Raj Kumar Khubchandani Spouse of Mrs. Bhakti Khubchandani
4.	Mr. Nitin Khubchandani	Son of Mr. Bharat Kumar Khubchandani Brother of Mr. Puneet Khubchandani
5.	Mr. Puneet Khubchandani	Son of Mr. Bharat Kumar Khubchandani Brother of Mr. Nitin Khubchandani
6.	Mrs. Bhakti Khubchandani	Spouse of Mr. Sumit Khubchandani Daughter in Law of Mr. Raj Kumar Khubchandani

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

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on July 22, 2024 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 50 Crore (Rupees Fifty Crores only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Mr. Raj Kumar Khubchandani	Mr. Bharat Kumar Khubchandani	Mr. Sumit Khubchandani
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Re-Appointment / Change in Designation	July 1, 2024	July 1, 2024	July 1, 2024
Designation	Chairman & Whole Time Director	Managing Director	Whole Time Director & CFO
Term of Appointment	5 Years	5 Years	5 Years
Remuneration Payable from FY 2024-25	Upto ₹1.50 Lakhs per month	Upto ₹2.00 Lakhs per month	Upto ₹3.50 Lakhs per month
Remuneration paid for Year 2023-24	Rs. 39.85 Lakhs per annum	Rs. 34.80 Lakhs per annum	Rs. 59.10 Lakhs per annum

Particulars	Mr. Nitin Khubchandani	Mr. Puneet Khubchandani	Mrs. Bhakti Khubchandani
Re-Appointment / Change in Designation	July 1, 2024	July 1, 2024	July 1, 2024
Designation	Whole Time Director	Whole Time Director	Whole Time Director
Term of Appointment	5 Years	5 Years	5 Years
Remuneration Payable from FY 2024-25	Upto ₹3.25 Lakhs per month	Upto ₹3.25 Lakhs per month	Upto ₹1.50 Lakhs per month
Remuneration paid for Year 2023-24	Rs. 45.00 Lakhs per annum	Rs. 45.00 Lakhs per annum	Rs. 12.55 Lakhs per annum

Our company does not have any Subsidiary Company.

Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit-sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated July 26, 2024 for payment to all Non-Executive Independent Directors for attending each such meeting of the Board or Committee thereof.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Raj Kumar Khubchandani	6,71,760	4.66
2.	Mr. Bharat Kumar Khubchandani	4,31,760	3.00
3.	Mr. Sumit Khubchandani	37,68,000	26.17
4.	Mr. Nitin Khubchandani	32,16,000	22.33
5.	Mr. Puneet Khubchandani	32,16,000	22.33
6.	Mrs. Bhakti Khubchandani	24,00,240	16.67

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft 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 fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other 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- "**Compensation of our Managing Director a Whole Time Directors**" above, under chapter titled "**Our Management**" beginning on page 155 of this Draft Red Herring Prospectus

Our Directors Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani have provided personal guarantees to secure our existing borrowings from our lenders and also mortgaged their immovable properties.

Our directors may also be regarded as interested to their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are interested in the Company in the following manner:

Further our director may also be 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 may also be 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.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section **“Our Management”** or the section titled **“Restated Financial Statement - Related Party Transactions”** beginning on page 155 and 179 respectively of this Draft 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

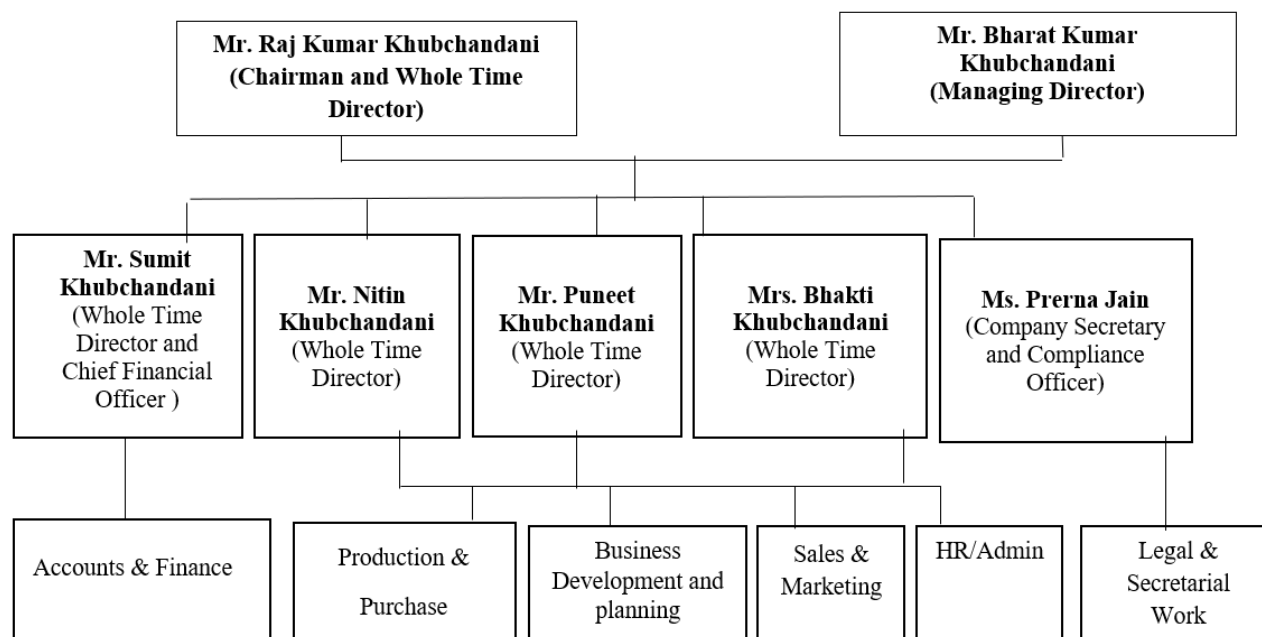
Except as disclosed above and in the chapters titled **“Business Overview”** and **“Restated Financial Statement –Related Party Transactions”** and **“History and Corporate Structure”** on page 119, 179 and 151 respectively of this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Red Herring Prospectus.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Raj Kumar Khubchandani	Appointed as Chairman & Whole Time Director w.e.f. July 1, 2024	To ensure better Corporate Governance
2.	Mr. Bharat Kumar Khubchandani	Appointed as Managing Director w.e.f. July 1, 2024.	To ensure better Corporate Governance
3.	Mr. Sumit Khubchandani	Appointed as Whole Time Director w.e.f July 1, 2024 and also designated as Chief Financial Officer w.e.f July 1, 2024	To ensure better Corporate Governance
4.	Mr. Nitin Khubchandani	Appointed as Whole Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
5.	Mr. Puneet Khubchandani	Appointed as Whole Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
6.	Mrs. Bhakti Khubchandani	Appointed as Whole Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
7.	Mr. Atul Sobti	Appointed as Independent Director w.e.f July 22, 2024	To ensure better Corporate Governance
8.	Mr. Suresh Kishnani	Appointed as Independent Director w.e.f July 22, 2024	To ensure better Corporate Governance
9.	Mr. Atishay Jain	Appointed as Independent Director w.e.f July 22, 2024	To ensure better Corporate Governance

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 BSE. 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 has been constituted in compliance with the Companies Act and the SEBI Listing Regulations 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 (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated July 26, 2024, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Suresh Kishnani	Chairman	Non-Executive Independent Director
Mr. Atishay Jain	Member	Non- Executive Independent Director
Mr. Sumit Khubchandani	Member	CFO and Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. 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 120 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 Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
6. 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the 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;
17. 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;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated July 26, 2024. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Atishay Jain	Chairperson	Non- Executive Independent Director
Mr. Raj Kumar Khubchandani	Member	Chairman and Whole Time Director
Mr. Bharat Kumar Khubchandani	Member	Managing Director
Mr. Puneet Khubchandani	Member	Whole Time Director
Mr. Nitin Khubchandani	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders 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 Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
 - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
 - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
 - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
 - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
 - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated July 26, 2024. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Atishay Jain	Chairman	Non-Executive Independent Director
Mr. Suresh Kishnani	Member	Non- Executive Independent Director
Mr. Atul Sobti	Member	Non- Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

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 for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE Limited. The Board of Directors at their meeting held on July 26, 2024 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related

party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2024 (in Rs Lakhs)	Over all experience (in years)	Previous employment
Name: Mr. Raj Kumar Khubchandani Designation: Chairman & Whole Time Director Qualification: Bachelor of Commerce	72	Chairman and Whole Time Director w.e.f. July 1, 2024	39.85	43 Years	-
Name: Mr. Bharat Kumar Khubchandani Designation: Managing Director Qualification: Bachelor of Engineering (Mechanical)	66	Managing Director w.e.f. July 1, 2024	34.80	43 Years	-
Name: Mr. Sumit Khubchandani Designation: Whole Time Director and Chief Financial Officer Qualification: Bachelor of Engineering	43	Whole Time Director w.e.f. July 1, 2024 Chief Financial officer w.e.f. July 1, 2024	59.10	19 Years	-
Name: Mr. Nitin Khubchandani Designation: Whole Time Director Qualification: Bachelor of Engineering	39	Whole Time Director w.e.f. July 1, 2024	45.00	19 Years	-
Name: Mr. Puneet Khubchandani Designation: Whole Time Director Qualification: Bachelor of Engineering	38	Whole Time Director w.e.f. July 1, 2024	45.00	12 Years	-
Name: Mrs. Bhakti Khubchandani Designation: Whole Time Director Qualification: Master of Commerce	37	Whole Time Director w.e.f. July 1, 2024	12.55	12 Years	-
Name: Ms. Prerna Jain Designation: Company Secretary & Compliance Officer Qualification: Company Secretary	31	Appointed on April 1, 2024	NIL	3 Years	DCJ & Associates (Practicing)

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. Mr. Raj Kumar Khubchandani, Chairman and Whole Time Director, Age: 72 Years

Mr. Raj Kumar Khubchandani, aged 72 years is Chairman & Whole Time Director and also the Promoter of our Company. He was originally appointed on the Board on September 15, 1994 as the Director of the Company and further redesignated as Chairman and Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, not liable to retire by rotation. He holds degree of Bachelor of Commerce. He has around 43 years of rich industrial experience.

Mr. Raj Kumar Khubchandani has been instrumental in providing strategic direction and leadership, significantly enhancing the company's growth and profitability. His responsibilities have encompassed overseeing all financial operations, including budgeting, forecasting, and conducting comprehensive financial analyses. Additionally, his role involved making critical decisions that align with our company's objectives and long-term goals.

Mr. Raj Kumar Khubchandani has also played a pivotal role in developing and nurturing strong relationships with stakeholders and regulatory bodies, facilitating successful business initiatives and ensuring that corporate affairs are conducted to the highest standards of compliance and integrity. He is professionally sound and hard-working whose dedication in taking contribution and initiative for the organization has proven helpful in the establishment repeatedly.

2. Mr. Bharat Kumar Khubchandani , Managing Director, Age: 66 Years

Mr. Bharat Kumar Khubchandani, aged 66 years is the Managing Director and Promoter of our Company. He was originally appointed on the Board on September 15, 1994 as the Director of the Company and further redesignated as Managing Director w.e.f. July 1, 2024 for a period of 5 years, not liable to retire by rotation. He holds degree of Bachelor of Engineering in Mechanical Engineering. He has around 43 years of rich industrial experience. Mr. Bharat Kumar Khubchandani has successfully spearheaded strategic initiatives that have significantly contributed to the company's growth and market expansion. His leadership in driving research and development efforts has been pivotal in innovating new rubber technologies that keep us at the forefront of the industry.

Mr. Bharat Kumar Khubchandani has been instrumental in fostering strong relationships with key stakeholders, enhancing business growth and ensuring sustainability. His adeptness in directing and managing operational activities has maintained efficient production and delivery of top-quality products, sustaining our reputation in the market.

3. Mr. Sumit Khubchandani, Whole Time Director and Chief Financial Officer , Age: 43 Years

Mr. Sumit Khubchandani, aged 43 years is one of the Promoter and Whole Time Director & Chief Financial Officer of our Company. He was appointed on the Board on November 30, 2004 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 19 years of rich industrial experience.

Mr. Sumit Khubchandani has been instrumental in leading our marketing department. His responsibilities have included overseeing sales and spearheading business development initiatives, significantly contributing to the growth and success of our company in both domestic and international markets. His expertise in market analysis, strategic planning, team leadership, and marketing strategy development has proven invaluable. He has demonstrated a profound understanding of various marketing techniques and concepts, which have greatly contributed to our company's ongoing success and competitiveness.

He has been appointed as Chief Financial Officer of our Company w.e.f. July 1, 2024.

4. Mr. Nitin Khubchandani, Whole Time Director, Age: 39 Years

Mr. Nitin Khubchandani, aged 39 years is one of the Promoter and Whole Time Director of our Company. He was appointed on the Board on November 30, 2004 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 19 years of rich industrial experience.

Mr. Nitin Khubchandani has played a pivotal role in overseeing the production, purchase, and technology departments of our company. His dynamic and results-oriented approach has significantly contributed to the operational efficiencies and innovation within our organization. He has played a crucial role in optimizing our company's production processes. His leadership has resulted in enhanced efficiency and cost savings, as well as the achievement of production targets. Additionally, he has streamlined our purchase processes, ensuring cost-effectiveness, optimization of procurement processes, and timely delivery of materials, thereby contributing significantly to our operational success.

His commitment to innovation has been evident through his spearheading of the adoption of new technologies within our organization. These initiatives have not only enhanced product quality but also streamlined our operations, ensuring we remain at the forefront of technological advancement in our industry.

5. Mr. Puneet Khubchandani, Whole Time Director, Age: 38 Years

Mr. Puneet Khubchandani, aged 38 years is one of the Promoter and Whole Time Director of our Company. He was appointed on the Board on September 30, 2011 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. He holds degree of Bachelor of Engineering. He has around 12 years of rich industrial experience.

Mr. Puneet Khubchandani has been instrumental in spearheading sales initiatives that have resulted in substantial annual revenue growth. His strategic sales strategies have enabled us to penetrate new markets and expand our customer network, thereby enhancing our company's market presence and competitiveness. He has demonstrated outstanding leadership qualities by providing direction and mentorship to our sales teams, ensuring they meet and exceed company goals and objectives effectively. His ability to nurture enduring partnerships with crucial clients and stakeholders has resulted in sustained business relationships and recurring transactions, further solidifying our position in the industry.

6. Mrs. Bhakti Khubchandani, Whole Time Director, Age: 37 Years

Mrs. Bhakti Khubchandani, aged 37 years is one of the Promoter and Whole Time Director of our Company. She was appointed on the Board on September 30, 2011 as Director of the Company and further redesignated as Whole Time Director w.e.f. July 1, 2024 for a period of 5 years, liable to retire by rotation. She holds degree of Master of Commerce. She has around 12 years of rich industrial experience.

Mrs. Bhakti Khubchandani has been responsible for overseeing and managing administrative operations to effectively support the organization's goals and objectives. She has successfully implemented streamlined administrative processes and systems, optimizing productivity and efficiency within the company. She has provided exemplary leadership by supervising administrative staff and creating training and development programs to foster growth and skill enhancement within the administrative team. Furthermore, she has maintained a high standard of compliance with company policies, regulations, and legal requirements, ensuring smooth operations and adherence to best practices.

7. Ms. Prerna Jain, Company Secretary and Compliance Officer, Age: 31 Years

Ms. Prerna Jain is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and a Fellow member of the Institute of Company Secretaries of India. She was appointed as Company Secretary and Compliance Officer of our Company on April 1, 2024. She has experience of 03 years 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.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Sr. No	Name of KMP	Nature of Relationship
1.	Mr. Raj Kumar Khubchandani	Brother of Mr. Bharat Kumar Khubchandani Father of Mr. Sumit Khubchandani Father in Law of Mrs. Bhakti Khubchandani
2.	Mr. Bharat Kumar Khubchandani	Brother of Mr. Raj Kumar Khubchandani Father of Mr. Nitin Khubchandani Father of Mr. Puneet Khubchandani
3.	Mr. Sumit Khubchandani	Son of Mr. Raj Kumar Khubchandani Spouse of Mrs. Bhakti Khubchandani
4.	Mr. Nitin Khubchandani	Son of Mr. Bharat Kumar Khubchandani Brother of Mr. Puneet Khubchandani
5.	Mr. Puneet Khubchandani	Son of Mr. Bharat Kumar Khubchandani Brother of Mr. Nitin Khubchandani
6.	Mrs. Bhakti Khubchandani	Spouse of Mr. Sumit Khubchandani Daughter in Law of Mr. Raj Kumar Khubchandani

Except as disclosed above none of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani, Mrs. Bhakti Khubchandani are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the stub period ended March 31, 2024.
- 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 in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under:

Sr. No.	Name of KMP	No. of Shares held	Holding in %
1.	Mr. Raj Kumar Khubchandani	6,71,760	4.66
2.	Mr. Bharat Kumar Khubchandani	4,31,760	3.00
3.	Mr. Sumit Khubchandani	37,68,000	26.17
4.	Mr. Nitin Khubchandani	32,16,000	22.33
5.	Mr. Puneet Khubchandani	32,16,000	22.33
6.	Mrs. Bhakti Khubchandani	24,00,240	16.67

- h. Presently, we do not have ESOP/ESPS scheme for our employees.
- i. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuities, ex-gratia/rewards.

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 three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Raj Kumar Khubchandani	Chairman & Whole Time Director	Appointed as Chairman & Whole Time Director w.e.f. July 1, 2024	To ensure better Corporate Governance
2.	Mr. Bharat Kumar Khubchandani	Managing Director	Appointed as Managing Director w.e.f. July 1, 2024.	To ensure better Corporate Governance
3.	Mr. Sumit Khubchandani	Whole Time Director & CFO	Appointed as Whole-Time Director w.e.f July 1, 2024 and also designated as Chief Financial Officer w.e.f July 1, 2024	To ensure better Corporate Governance
4.	Mr. Nitin Khubchandani	Whole Time Director	Appointed as Whole-Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
5.	Mr. Puneet Khubchandani	Whole Time Director	Appointed as Whole-Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
6.	Mrs. Bhakti Khubchandani	Whole Time Director	Appointed as Whole-Time Director w.e.f July 1, 2024	To ensure better Corporate Governance
7.	Ms. Prerna Jain	Company Secretary & Compliance Officer	Appointed w.e.f April 1, 2024	To ensure better Corporate Governance

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Our Key Managerial Personnel (KMP) Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani have provided personal guarantees to secure our existing borrowings from our lenders and also mortgaged their immovable properties

Except as provided in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are

interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “*Annexure 35 - Statement of Related Party Transaction*” under chapter “*Restated Financial Statement*” on page 179 of this Draft Red Herring Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Draft Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES



The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled — *Business Overview* beginning on page 119 of this Draft Red Herring Prospectus.



OUR PROMOTERS & PROMOTER GROUP


Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani are the promoters of our Company.

As on the date of this Draft Red Herring Prospectus, Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani are holding 1,37,03,760 Equity Shares which constitute 95.17% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoters: -

	Mr. Raj Kumar Khubchandani, Chairman & Whole Time Director	
	Qualification	Bachelor of Commerce
	Date of Birth	08/05/1952
	Age	72 Years
	Address	Pent House 1001, Royal Arterna, 10 th Floor, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India
	Experience	43 Years
	Occupation	Business
	Permanent Account Number	ADRPK4940R
	Passport Number	W8154830
	Driving License Number	RJ20 19800031533
	No. of Equity Shares held in ECBL [% of Shareholding (Pre-Issue)]	6,71,760 Equity Shares of ₹ 10 each; 4.66% of Pre-Issue Paid Up Capital
	DIN	00954559
	Other Interests	Companies/LLP/Partnership: Indana Rubber Industries (Partner) HUF: RAJKUMAR AND SONS HUF (Karta)
	Mr. Bharat Kumar Khubchandani, Managing Director	
	Qualification	Bachelor of Engineering (Mechanical)
	Date of Birth	19/09/1957
	Age	66 Years
	Address	107, Shakti Nagar, Kota-324009, Rajasthan, India
	Experience	43 Years
	Occupation	Business
	Permanent Account Number	ACVPK5865A
	Passport Number	W2098297
	Driving License Number	RJ20 20080218093
	No. of Equity Shares held in ECBL [% of Shareholding (Pre Issue)]	4,31,760 Equity Shares of ₹ 10 each; 3% of Pre- issue Paid up capital
	DIN	00954576
	Other Interests	Companies/LLP/Partnership: Indana Rubber Industries (Partner) HUF: NIL

	Mr. Sumit Khubchandani, Whole Time Director and CFO	
	Qualification	Bachelor of Engineering
	Date of Birth	11/01/1981
	Age	43 Years
	Address	Pent House 1001, Royal Artena, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India
	Experience	19 Years
	Occupation	Business
	Permanent Account Number	AGLPK1866B
	Passport Number	T3149843
	Driving License Number	RJ20 20150015354
	No. of Equity Shares held in ECBL [% of Shareholding (Pre Issue)]	37,68,000 Equity Shares of ₹ 10 each; 26.17% of Pre- issue Paid up capital
	DIN	00954610
	Other Interests	Companies/LLP: NIL HUF: Rajkumar And Sons HUF
	Mr. Nitin Khubchandani, Whole Time Director	
	Qualification	Bachelor of Engineering
	Date of Birth	13/02/1985
	Age	39 Years
	Address	Royal Artena, Flat No. 701-702, Plot No. -658, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan
	Experience	19 Years
	Occupation	Business
	Permanent Account Number	ANGPK0145B
	Passport Number	T3154217
	Driving License Number	RJ20 20010043314
	No. of Equity Shares held in ECBL [% of Shareholding (Pre Issue)]	32,16,000 Equity Shares of ₹ 10 each; 22.33% of Pre- issue Paid up capital
	DIN	01374788
	Other Interests	NIL
	Mr. Puneet Khubchandani, Whole Time Director	
	Qualification	Bachelor of Engineering
	Date of Birth	05/03/1986
	Age	38 Years
	Address	Royal Artena, Flat No. 703-704, Pratap Nagar, Dadabari, Kota-324009, Kota, Rajasthan
	Experience	12 Years
	Occupation	Business
	Permanent Account Number	AOMPK8613H
	Passport Number	B6027966
	Driving License Number	RJ20 20030079541

	No. of Equity Shares held in ECBL [% of Shareholding (Pre Issue)]	32,16,000 Equity Shares of ₹ 10 each; 22.33% of Pre- issue Paid up capital
	DIN	03612380
	Other Interests	NIL
	Mrs. Bhakti Khubchandani, Whole Time Director	
	Qualification	Master of Commerce
	Date of Birth	15/08/1986
	Age	37 Years
	Address	Pent House 1001, Royal Artna, 658, Pratap Nagar, Dadabari, Kota-324009, Rajasthan, India
	Experience	12 Years
	Occupation	Business
	Permanent Account Number	AWGPK6788F
	Passport Number	T3150680
	Driving License Number	RJ20 20000029136
	No. of Equity Shares held in ECBL [% of Shareholding (Pre Issue)]	24,00,240 Equity Shares of ₹ 10 each; 16.67% of Pre- issue Paid up capital
	DIN	03612379
		Companies/LLP: NIL
	Other Interests	HUF: Rajkumar And Sons HUF

Declaration

We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to BSE at the time of filing of Draft Red Herring Prospectus with them.

Present Promoters of Our Company are Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani.

Initial subscribers to the MoA of our Company were Mr. Govind Ram Mittal and Mr. Ram Babu. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our Promoter under chapter "Capital Structure" beginning on page 63 of this Draft Red Herring Prospectus.

Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

No material regulatory or disciplinary action is taken by any 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.

Except as disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on Page 190 of this Draft Red Herring Prospectus, there are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 190 of this Draft Red Herring Prospectus.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a willful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits/ Conflict of Interest

Except Indana Rubber Industry, there are no other entity/ Group Companies which are engaged in similar line of business as our Company as on date of this Draft Red Herring Prospectus. For further details of our Group Companies refer to Section titled “Information with respect to Group Companies” on page 199 of this Draft Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest in promotion of Our Company

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial information of our company” and “Our Management – Interest of Directors” and “Our Management – Interest of Key Managerial Personnel” on pages 179 & 155 of this Draft Red Herring Prospectus, respectively.

Interest in the property of Our Company

Except as mentioned in this Draft Red Herring Prospectus, 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 Draft Red Herring Prospectus or proposed to be acquired by us till date of filing the Red Herring Prospectus with RoC.

Other Interest of Promoters

Our Promoters Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoters, Mr. Bharat Kumar Khubchandani, Mr. Raj Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani who are also the Managing Director and Whole time Director(s) respectively of our Company may be deemed to be interested to the extent of their remuneration/sitting fees as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Other Interest of Promoters

➤ Except as stated in “Annexure - 35 - Restated Related Party Transactions” under section “Restated Financial Information beginning from page no. 179 of this Draft Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoter do not have any other interest in our business.

➤ Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure-35 - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page no. 179 of this Draft Red Herring Prospectus.

➤ Our Promoter, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Red Herring Prospectus.

➤ Our Promoters Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani have provided personal guarantees to secure our existing borrowings from our consortium lenders and also mortgaged their immovable properties.

➤ Except as otherwise as stated in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Red Herring Prospectus in which Promoter is directly or indirectly interested.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Experience of Promoters in the line of business

Our Promoters Mr. Raj Kumar Khubchandani, Mr. Bharat Kumar Khubchandani, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani and Mrs. Bhakti Khubchandani have experience of 43, 43 and 19, 19, 12, 12 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “Annexure – 35 Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 179 of this Draft Red Herring Prospectus.

Except as stated in “Annexure – 35 Restated Statement of Related Party Transactions” beginning under chapter titled “Restated Financial Statements” on page 179 of this Draft Red Herring Prospectus., and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

Payment or Benefit to Promoters of Our Company

For details of payments or benefits paid to our Promoters, please refer to the chapter titled “Our Management” beginning on page 155 of this Draft Red Herring Prospectus. Also refer Annexure 35 on “Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 179 of this Draft Red Herring Prospectus.

Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Red herring Prospectus.

Other ventures of our Promoters

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Information with respect of Group Companies” beginning on page 172 & 199 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Draft Red Herring Prospectus.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 190 of this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Raj Kumar Khubchandani	Bharat Kumar Khubchandani
Father	Late Shri Vishan Das Khubchandani	Late Shri Vishan Das Khubchandani
Mother	Late Smt. Parmeshwari Devi	Late Smt. Parmeshwari Devi
Spouse	Bhagwanti Khubchandani	Laxmi Devi Khubchandani
Brother	Bharat Kumar Khubchandani Vijay Kumar Khubchandani	Raj Kumar Khubchandani Vijay Kumar Khubchandani
Sister	Renu Moolrajani Lata Kukreja Neha Balwani	Renu Moolrajani Lata Kukreja Neha Balwani
Son	Sumit Khubchandani	Puneet Khubchandani, Nitn Khubchandani
Daughter	Harsha Chetwani Sapna Malani*	-
Spouse's Father	Late Shri Thakur Das Sadhnani	Late Shri Tulsi Das Gangwani
Spouse's Mother	Late Smt. Devi Bai Sadhnani	Late Smt. Dhanwanti Gangwani
Spouse's Brother	Murlidhar Sadhnani	Kamlesh Tulsidas Gangwani
Spouse's Sister	-	-

Relationship	Sumit Khubchandani	Nitin Khubchandani
Father	Raj Kumar Khubchandani	Bharat Kumar Khubchandani
Mother	Bhagwanti Khubchandani	Laxmi Devi Khubchandani
Spouse	Bhakti Khubchandani	Vinita Khubchandani
Brother	-	Puneet Khubchandani
Sister	Harsha Chetwani Sapna Malani*	-
Son	Anant Khubchandani	Param Khubchandani
Daughter	Aditi Khubchandani	Jineesha Khubchandani
Spouse's Father	Prem Chand Santwani	Shrichand Kriplani
Spouse's Mother	Jaya Santwani	Kamal Kriplani
Spouse's Brother	Jayant Santwani	Vinit Kriplani
Spouse's Sister	-	-

Relationship	Puneet Khubchandani	Bhakti Khubchandani
Father	Bharat Kumar Khubchandani	Prem Chand Santwani
Mother	Laxmi Devi Khubchandani	Jaya Santwani
Spouse	Neha Khubchandani	Sumit Khubchandani
Brother	Nitin Khubchandani	Jayant Santwani
Sister	-	-
Son	Naksh Khubchandani	Anant Khubchandani
Daughter	Gargi Khubchandani	Aditi Khubchandani
Spouse's Father	Kunj Bihari Bhavnani	Raj Kumar Khubchandani
Spouse's Mother	Pushpa Bhavnani	Bhagwanti Khubchandani
Spouse's Brother	Nitesh Kumar Bhavnani	-
Spouse's Sister	-	Harsha Chetwani Sapna Malani*

*Name of Sapna Khubchandani has been changed to Sapna Malani.

2. Corporate Entities or Firms forming part of the Promoter Group

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

- Raj Kumar & Sons HUF
- Indana Rubber Industries

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of 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 may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has declared dividend on the Equity Shares in last three years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

Particulars	From April 1, 2024 up till the date of the DRHP	March 31, 2024	March 31, 2023	March 31, 2022
No. of Equity Shares	1,44,00,000	-	-	-
Face value per Equity Share (in ₹)	10	-	-	-
Aggregate Dividend (in ₹ lakhs)	1,44,00,000	-	-	-
Dividend per Equity Share (in ₹)	1.00*	-	-	-
Rate of dividend (%)	10%	-	-	-
Dividend Distribution Tax (in ₹)	-	-	-	-
Mode of Payment of Dividend	Electronic Transfer	-	-	-

**On May 02, 2024, the Board of Directors has proposed a interim dividend on equity shares of ₹ 1 per share.*

For details of risks in relation to our capability to pay dividend, see "Risk Factors" – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY

RESTATED FINANCIAL STATEMENTS

Particulars	Page No.
Restated Financial Statement	F1-F37



Independent Auditor's Report on Restated Financial Statements

To,
The Board of Directors
EUREKA CONVEYOR BELTINGS LIMITED
(Formerly known as "Eureka Conveyor Beltings Private Limited")
Kota – 324003 Rajasthan

1. We have examined the attached restated financial information of **EUREKA CONVEYOR BELTINGS LIMITED (Formerly known as "Eureka Conveyor Beltings Private Limited")** (hereinafter referred to as "**the Company**") comprising the restated Standalone statement of assets and liabilities as at March 31, 2024, March 31, 2023 and 2022, restated Standalone Statement of Profit and Loss and restated Cash Flow Statement for the financial year/period ended on March 31, 2024, March 31, 2023 and 2022 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "**Restated Financial Information**" or "**Restated Financial Statements**") annexed to this report and initialled by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on **BSE SME** Platform ("**IPO**" or "**BSE SME IPO**") of Bombay Stock Exchange of India Limited ("**BSE**") of the company.

2. These restated summary statements have been prepared in accordance with the requirements of:
(i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**");
(iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**Guidance Note**")

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus ("**Offer Document**") to be filed with Securities and Exchange Board of India ("**SEBI**"), BSE and Registrar of Companies (Jaipur) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Statements taking into consideration:
(i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
(ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
(iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;



(iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on March 31, 2024, March 31, 2023 and 2022.

6. Audit for the financial year ended March 31, 2024 was audited by us vide our report dt. 15th July, 2024. Audit for the financial year ended March 31, 2023 and 2022 was conducted by us vide report dt. September 2, 2023 and September 5, 2022 respectively. There are no audit qualifications in the audit reports issued by us and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by us.

7. (a) We have audited the Financial Statements of the Company for the year ended March 31, 2024 prepared by the Company in accordance with the IGAAP for the limited purpose of complying with the requirement of Restated Audited Financial Statements in the Offer document should not be more than 9 months old from the issue opening date as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated July 15, 2024, which have been approved by the Board of Directors who have approved these in their meeting held on July 15, 2024.

7. (b) We have audited the Financial Statements of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the IGAAP, which have been approved by the Board of Directors in their meeting held on September 2, 2023. We have audited the Financial Statements of the Company for the year ended March 31, 2022 prepared by the Company in accordance with the IGAAP, which have been approved by the Board of Directors in their meeting held on September 5, 2022.

8. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended on March 31, 2024, March 31, 2023 and 2022.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports;

c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.

d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.

9. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:

(i) The “**Restated Standalone Statement of Asset and Liabilities**” of the Company as at March 31, 2024, March 31, 2023 and 2022 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.



(ii) The “**Restated Standalone Statement of Profit and Loss**” of the Company for the financial years ended as at March 31, 2024, March 31, 2023 and 2022 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The “**Restated Standalone Statement of Cash Flows**” of the Company for the financial years ended as at March 31, 2024, March 31, 2023 and 2022 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

10. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial years ended as at March 31, 2024, March 31, 2023 and 2022 proposed to be included in the Offer Document.

Annexures to Restated Financial Statements of the Company: -

- I. Summary statement of assets and liabilities, as restated as appearing in **ANNEXURE I** to this report;
- II. Summary statement of profit and loss, as restated as appearing in **ANNEXURE II** to this report;
- III. Summary statement of cash flows as restated as appearing in **ANNEXURE III** to this report;
- IV. Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in **ANNEXURE IV** to this report;
- V. Details of share capital as restated as appearing in **ANNEXURE V** to this report;
- VI. Details of reserves and surplus as restated as appearing in **ANNEXURE VI** to this report;
- VII. Details of long-term borrowings as restated as appearing in **ANNEXURE VII** to this report;
- VIII. Details of deferred tax liabilities/assets (net) as appearing in **ANNEXURE VIII** to this report;
- IX. Details of long-term provisions as restated as appearing in **ANNEXURE IX** to this report;
- X. Details of short-term borrowings as restated as appearing in **ANNEXURE X** to this report;
- XI. Details of Trade Payables as restated as appearing in **ANNEXURE XI** to this report;
- XII. Details of Other Current Liabilities as restated as appearing in **ANNEXURE XII** to this report;
- XIII. Details of Short-Term Provision as restated as appearing in **ANNEXURE XIII** to this report;
- XIV. Details of property, plant & equipment and intangible assets as restated as appearing in **ANNEXURE XIV** to this report;
- XIVA. Details of Capital Work in Progress as restated as appearing in **ANNEXURE XIV-A** to this report;
- XV. Details of other non-current assets as restated as appearing in **ANNEXURE XV** to this report;
- XVI. Details of inventories as restated as appearing in **ANNEXURE XVI** to this report;
- XVII. Details of trade receivables as restated as appearing in **ANNEXURE XVII** to this report;
- XVIII. Details of cash and cash equivalents as restated as appearing in **ANNEXURE XVIII** to this report;
- XIX. Details of short-term loans and advances as restated as appearing in **ANNEXURE XIX** to this report;
- XX. Details of other current assets as restated as appearing in **ANNEXURE XX** to this report;
- XXI. Details of revenue from operations as restated as appearing in **ANNEXURE XXI** to this report;
- XXII. Details of other income as restated as appearing in **ANNEXURE XXII** to this report;
- XXIII. Details of cost of raw material as restated as appearing in **ANNEXURE XXIII** to this report;



- XXIV. Details of changes in inventories of stock-in-trade as restated as appearing in **ANNEXURE XXIV** to this report;
- XXV. Details of employee benefit expenses as restated as appearing in **ANNEXURE XXV** to this report;
- XXVI. Details of finance costs as restated as appearing in **ANNEXURE XXVI** to this report;
- XXVII. Details of depreciation and amortization expense as restated as appearing in **ANNEXURE XXVII** to this report;
- XXVIII. Details of Other expenses as restated as appearing in **ANNEXURE XXVIII** to this report;
- XXIX. Details of Ageing of trade payables as restated as appearing in **ANNEXURE XXIX** to this report;
- XXX. Ageing of trade receivables as restated as appearing in **ANNEXURE XXX** to this report;
- XXXI. Details of bifurcative other income as restated as appearing in **ANNEXURE XXXI** to this report;
- XXXII. Disclosure under AS-15 as restated as appearing in **ANNEXURE XXXII** to this report;
- XXXIII. Summary of significant accounting ratios as restated as appearing in **ANNEXURE XXXIII** to his report;
- XXXIV. Statement of tax shelters as restated as appearing in **ANNEXURE XXXIV** to this report;
- XXXV. Details of related party transactions as restated as appearing in **ANNEXURE XXXV** to this report;
- XXXVI. Details of contingent liabilities & commitment as restated as appearing in **ANNEXURE XXXVI** to this report;
- XXXVII. Details of restated value of imports calculated on C.I.F. basis by the company during the financial year/period as appearing in **ANNEXURE XXXVII** to this report;
- XVIII. Details of expenditure in foreign currency during the financial year/period as restated as appearing in **ANNEXURE XVIII** to this report;
- XXXIX. Details of earnings in foreign exchange as restated as appearing in **ANNEXURE XXXIX** to this report;
- XL Details of dues of small enterprises and micro enterprises as restated as appearing in **ANNEXURE XL** to this report;
- XLI. Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 as restated as appearing in **ANNEXURE XLI** to this report;
- XLII. Capitalisation Statement as at March 31, 2024 as restated as appearing in **ANNEXURE XLII** to this report;
- XLIII. Details of Corporate Social Responsibility as restated as appearing in **ANNEXURE XLIII** to this report;
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 7 above.
14. We have been subject to the Peer Review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till December 31, 2025.



SANJAY KHANDELWAL & ASSOCIATES
Chartered Accountants

15. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, BSE and Registrar of Companies (Jaipur) in connection with the proposed SME IPO.

Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

PLACE: KOTA
DATED: 13.08.2024

For SANJAY KHANDELWAL AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 002805C
Peer Review Certificate No. 013973 dt. 14.12.2021

(S. KHANDELWAL)
Partner
M. No.: 036468
UDIN: 24036468BKEBSI8174

EUREKA CONVEYOR BELTINGS LIMITED
(FORMERLY KNOWN AS "EUREKA CONVEYOR BELTINGS PRIVATE LIMITED")
CIN:U25201RJ1993PLC007425

ANNEXURE I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in Lakhs)

Particulars	Annexure	As At 31.03.2024	As At 31.03.2023	As At 31.03.2022
EQUITY AND LIABILITIES				
<u>Shareholders' Funds</u>				
Share Capital	V	60.00	60.00	60.00
Reserves and Surplus	VI	4259.88	3017.38	2164.37
<u>Non-Current Liabilities</u>				
Long-Term Borrowings	VII	1753.23	1748.98	1293.31
Deferred Tax Liabilities	VIII	47.09	43.97	4.27
Long Term Provisions	IX	60.48	69.11	53.50
<u>Current Liabilities</u>				
Short-Term Borrowings	X	600.74	267.86	449.00
Trade Payables	XI	865.44	718.02	643.55
Other Current Liabilities	XII	306.42	249.01	240.24
Short Term Provisions	XIII	428.57	259.80	251.47
Total		8381.84	6434.14	5159.69
ASSETS				
<u>Non Current Assets</u>				
Property, Plant & Equipment & Intangible Assets				
Property, Plant & Equipment	XIV	3146.01	3145.09	704.80
Capital Work-In-Progress	XIVA	98.98	13.43	874.49
Deferred Tax Assets		0.00	0.00	0.00
Other non Current Assets	XV	19.38	17.64	14.53
<u>Current Assets</u>				
Inventories	XVI	1632.36	1432.13	1418.45
Trade Receivables	XVII	2633.57	1482.38	1445.87
Cash and Cash Equivalents	XVIII	365.25	75.87	80.89
Short-Term Loans and Advances	XIX	485.87	266.94	619.86
Other Current Assets	XX	0.42	0.66	0.79
Total		8381.84	6434.14	5159.69

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

In terms of our report of even date

FOR SANJAY KHANDELWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

FRN:002805C

Peer Review Certificate No.013973 dt. 14.12.2021

(S.KHANDELWAL)
PARTNER
M. No.:036468

UDIN:24036468BKEBSI8174
KOTA, August 13, 2024

FOR EUREKA CONVEYOR BELTINGS LIMITED

(R. K. KHUBCHANDANI) (B. K. KHUBCHANDANI)
Chairman Managing Director
DIN-00954559 DIN-00954576

(SUMIT KHUBCHANDANI) (PRERNA JAIN)
Director & CFO Company Secretary
DIN-00954610

EUREKA CONVEYOR BELTINGS LIMITED
(FORMERLY KNOWN AS "EUREKA CONVEYOR BELTINGS PRIVATE LIMITED")
CIN:U25201RJ1993PLC007425

ANNEXURE II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in Lakhs)

Particulars	Annexure	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2022
REVENUE				
Revenue From Operations	XXI	14062.37	9600.66	8313.98
Other Income	XXII	36.29	39.12	19.69
TOTAL INCOME		14098.66	9639.78	8333.66
EXPENSES				
Cost of Materials Consumed	XXIII	9498.89	6565.98	5884.25
Changes in Inventories of Finished Goods and Work in Progress	XXIV	-1.65	31.88	(195.06)
Employee Benefit Expenses	XXV	261.88	203.63	179.20
Finance Costs	XXVI	130.01	145.77	123.66
Depreciation and Amortization Expense	XXVII	492.11	79.04	67.60
Other Expenses	XXVIII	2044.87	1467.08	1316.87
TOTAL EXPENSES		12426.12	8493.37	7376.51
Profit Before Tax		1672.54	1146.40	957.16
Tax Expense:				
Current Tax		426.93	253.69	245.85
Deferred Tax		3.11	39.70	10.43
Profit for the Year		1242.49	853.02	700.88
Earning Per Equity Share:				
Basic		207.08	142.17	116.81
Diluted		207.08	142.17	116.81
Post Right and Bonus Issue *		8.63	5.92	4.87

* NOTE: The Post Right and Bonus Issue EPS is calculated on 13.04.2024 after the right and bonus issue

The notes referred above are an integral part of the financial statements

In terms of our report of even date

FOR SANJAY KHANDELWAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 FRN:002805C

Peer Review Certificate No.013973 dt. 14.12.2021

FOR EUREKA CONVEYOR BELTINGS LIMITED

(S.KHANDELWAL)
 PARTNER
 M. No.:036468

UDIN:24036468BKEBSI8174
 KOTA, August 13, 2024

(R. K. KHUBCHANDANI) (B. K. KHUBCHANDANI)
 Chairman Managing Director
 DIN-00954559 DIN-00954576

(SUMIT KHUBCHANDANI) (PRERNA JAIN)
 Director & CFO Company Secretary
 DIN-00954610

EUREKA CONVEYOR BELTINGS LIMITED
(FORMERLY KNOWN AS "EUREKA CONVEYOR BELTINGS PRIVATE LIMITED")
CIN:U25201RJ1993PLC007425

ANNEXURE III
STATEMENT OF CASH FLOW

Particulars	Year Ended	Year Ended	Year Ended
	31.03.2024	31.03.2023	31.03.2022
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Cash flows from operating activities			
Net profit before taxation and extraordinary item	1672.54	1146.40	957.16
Adjustments for :			
Depreciation	492.11	79.04	67.60
Net Loss on Foreign Currency Fluctuations	6.79	(3.32)	(4.65)
Interest Paid	126.36	137.23	123.34
Profit on sale of Fixed Assets	(9.06)	(14.82)	0.00
Restate Interest on Income tax FY 2020-21	0.00	0.00	1.05
Gratuity	(8.36)	16.10	7.30
Adjustment fir recovery of Bad Debts	0.00	0.00	0.00
Interest income	(9.84)	(9.26)	(12.83)
	2270.54	1351.37	1138.96
Operating profit before working capital changes			
Decrease/(Increase) in Trade Receivables	(1151.19)	(36.51)	(415.50)
Decrease/(Increase) in Inventories	(200.22)	(13.68)	(569.46)
Increase/(Decrease) in Trade Payables	147.41	74.48	183.13
Decrease/(Increase) in Other Current Assets	0.24	0.13	(0.57)
Increase/(Decrease) in other Current Liabilities	57.41	8.77	92.91
Decrease/(Increase) in Short Term Advances	(218.93)	352.92	(340.81)
Decrease/(Increase) in Long Term Advances	(1.75)	(3.11)	(0.24)
Cash generated from operations	903.51	1734.37	88.42
Income taxes paid	(258.43)	(245.85)	(142.97)
Net cash from operating activities	645.08	1488.52	(54.55)
Cash flows from investing activities			
Purchase of fixed assets	(490.21)	(1649.51)	(2.77)
Proceeds from Sale of Assets	19.67	19.50	0.00
Capital Work in Progress	(98.98)	(13.43)	(874.49)
Interest Received	9.84	9.26	12.83
Net cash from investing activities	(559.68)	(1634.18)	(864.44)
Cash flows from financing activities			
Proceeds from Share Capital Issued	0.00	0.00	0.00
Proceeds from Short Term Borrowings	332.88	(181.13)	396.49
Proceeds from Long Term Borrowings	4.25	455.68	516.73
Repayment of long-term borrowings	0.00	0.00	0.00
Interest Paid	(126.36)	(137.23)	(123.34)
Net cash used in financing activities	210.76	137.32	789.88
Net increase in cash and cash equivalents	296.16	-8.34	(129.11)
Cash and cash equivalents at beginning of period	75.87	80.89	205.35
Net Loss on Foreign Currency Fluctuations	(6.79)	3.32	4.65
Cash and cash equivalents at end of period	365.25	75.87	80.89

See accompanying annexures forming part of the restated financial statements
(Refer Annexure No. IV to XLIII)

Note: The Cash Flow Statements have been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act 2013.

In terms of our report of even date

FOR SANJAY KHANDELWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:002805C

Peer Review Ceretificate No.013973 dt. 14.12.2021

(S.KHANDELWAL)
PARTNER

FOR EUREKA CONVEYOR BELTINGS LIMITED

(R. K. KHUBCHANDANI) (B. K. KHUBCHANDANI)
Chairman Managing Director
DIN-00954559 DIN-00954576

UDIN:24036468BKEBSI8174
KOTA, August 13, 2024

(SUMIT KHUBCHANDANI) (PRERNA JAIN)
Director & CFO Company Secretary
DIN-00954610

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

ANNEXURE IV

CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET RECONCILIATION OF NETWORTH

Note 1 : Corporate Information

EUREKA CONVEYOR BELTINGS LIMITED was incorporated as a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has been converted from private company to public company on 21.06.2024. The company is engaged in the Manufacturing of rubber beltings & other rubber products. The company caters to both domestic and international markets.

Note 2 : Significant Accounting Policies

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III 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 determined its operating cycle as twelve months for the purpose of current –non-current classification of assets and liabilities.

b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c) Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

d) Property, Plant & Equipment

Fixed assets, except land, are carried at cost less accumulated depreciation. The cost of fixed assets includes incidental expenses incurred up to that date of capitalisation including interest on loans.

e) Capital Work-in-Progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

f) Depreciation

Depreciation on fixed assets has been provided on WDV method on prorata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

g) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

h) Investments

h) Current investments are carried at cost or fair-value whichever is lower. Further, any reduction to fair value and any reversals of such reductions are included in the profit and loss statement. Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

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i) Borrowings Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

j) Provisions, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

k) 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. The following specific recognition criteria must also be met before revenue is recognized:

i) Sale Of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects value added taxes like GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

ii) Other Incomes

Other income like interest is recognized on a time proportion basis. Other incomes are recognised on the basis of their realisability.

l) Export Incentive Income

Export Incentive are recognised when the right to receive such incentives as per the applicable terms is established, in respect of the export made and when there is no significant uncertainty regarding the ultimate realisation of such export incentives.

m) Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. The difference between the recorded value as at the date of transaction and the value realised, is recognized as income or expense in the Profit and Loss Account on the date of realisation.

n) Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates and the difference between the recorded value as at the date of transaction and the value at the year end, is recognized as income or expense in the Profit and Loss Account as at the year end.

o) Taxes on Income

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. The Provision for current year's tax liability has been made in accordance with provisions related to alternative regular tax provision for companies U/s 115 BAA.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization

p) Cash and Bank Balances

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances comprises of cash and bank balances other than cash and cash equivalents which has original maturity of more than three months and restricted balances.

q) Earnings Per Share

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity

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r) Employee Benefits

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

3. NOTES ON RECONCILIATION OF RESTATED PROFITS

(₹ in Lakhs)

Particulars	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	1232.65	878.21	718.39
Adjustments for:			
Misc Income	0.00	0.00	0.32
Recovery of Bad Debts	0.00	-14.70	0.00
Interest on Term Loan	0.00	0.00	0.00
Expenses Related to Previous Year	1.15	0.00	0.35
Income Related to Previous Year	0.00	-0.32	0.00
Professional Charges	0.00	0.00	0.00
Provision For Gratuity	8.36	-16.10	-7.30
Income Tax Expense	2.28	3.81	0.18
Professional Charges		-0.10	
Misc Expenses	0.00	0	-1.05
Deferred Tax Expense	-1.95	2.21	-10.01
Net Profit/ (Loss) After Tax as Restated	1242.49	853.02	700.88

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

a. Misc Income: Income was erroneously booked in an incorrect financial year. However corrective measures have been taken, and the income has now been accurately recorded in the restated financial statement in appropriate financial year.

b. Recovery of Bad Debts: The company had booked income against a recovery in debtor's account in the year of receipt; however, the income derecognized and the recovery has now been recorded as receipt from debtor in the financials in the relevant year in the restated financial statement.

c. Interest on Term Loan: Expense was erroneously booked in FY 2021-22. However corrective measures have been taken, and the expense has now been accurately recorded in the appropriate financial year in the restated financial statement

d. Expenses Related to Previous Year: Expense was erroneously booked in an incorrect financial year. However corrective measures have been taken, and the expense has now been accurately recorded in the appropriate financial year in the restated financial statement.

e. Income Related to Previous Year: Income was erroneously booked in an incorrect financial year. However corrective measures have been taken, and the income has now been accurately recorded in the appropriate financial year in the restated financial statement.

f. Professional Charges: Professional charges were erroneously booked in FY 2021-22 and 2023-24. However corrective measures have been taken, and the expense has now been accurately recorded in the appropriate financial year.

EUREKA CONVEYOR BELTINGS LIMITED
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g. Gratuity: The Company had accounted for gratuity liability in the year of payment. The same has now been restated and debited to statement of profit and loss as per actuarial valuation reports.

h. Income Tax Expense: The Company had earlier provided income tax liability on the basis of taxable income of that year, which has now been restated for restatement adjustments as above and provided for using tax rates related to the respective financial year as per Statement of tax shelters.

i. Misc Expenses: Expense was erroneously booked in an incorrect financial year. However corrective measures have been taken, and the expense has now been accurately recorded in the restated financial statement in appropriate financial year.

j. Deferred Tax Expense: The Company had not calculated deferred tax impact on gratuity liability which has now been restated and provided for after considering gratuity liability .

4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH

(₹ in Lakhs)

Particulars	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
Net worth as per audited accounts (a)	4377.23	3144.58	2266.37
Adjustments for:			
Opening Balance of Adjustments	-67.20	-42.00	-35.49
Add: Bad Debts Reversal	0.00	0.00	14.70
Less: Impact of Tax Liability of Bad Debt Reversal	0.00	0.00	-3.70
Change in Profit	9.84	-25.20	-17.51
Closing Balance of Adjustments (b)	-57.36	-67.20	-42.00
Net worth as restated (a +b)	4319.88	3077.38	2224.37

1. Bad Debts Reversal: Refer Pt. 3(b) above

2. Impact of Tax Liability of Bad Debt Reversal:

The tax liability impact on account of bad debts recognised in an earlier year has been restated.

3. Change in Profit: Refer Pt. 3 above

5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

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ANNEXURE V

Share Capital As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
a) AUTHORIZED CAPITAL 20000000 (PY - 600000) Equity Shares of Rs. 10/- each	2000.00	60.00	60.00
	2000.00	60.00	60.00
b) ISSUED , SUBSCRIBED & PAID UP CAPITAL 600000 (PY - 600000) Equity Shares of Rs. 10/- each	60.00	60.00	60.00
TOTAL	60.00	60.00	60.00

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
At the beginning of the period	600000	600000	600000
Outstanding at the end of the period	600000	600000	600000

Details of Shareholders Holding More Than 5% Shares In The Company

Name of Share Holders	As At 31st March, 2024		As At 31st March, 2023	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Mrs. Laxmi Khubchandani	48000	8.00	48000	8.00
Mr. Sumit Khubchandani	156990	26.17	156990	26.17
Mr. Nitin Khubchandani	134000	22.33	134000	22.33
Mrs. Bhakti Khubchandani	100010	16.67	100010	16.67
Mr. Puneet Khubchandani	100010	16.67	100010	16.67
TOTAL	539010	89.84	539010	89.84

Details of Shareholders Holding More Than 5% Shares In The Company

Name of Share Holders	As At 31st March, 2022	
	Number of shares	% holding in the class
Mrs. Laxmi Khubchandani	48000	8.00
Mr. Sumit Khubchandani	156990	26.17
Mr. Nitin Khubchandani	134000	22.33
Mrs. Bhakti Khubchandani	100010	16.67
Mr. Puneet Khubchandani	100010	16.67
TOTAL	566990	94.50

Details of Shareholding of Promoters

S. No. / Promoter Name	As At 31st March, 2024		
	No. of Shares	% of Total Shares	% Change during the Period
(i) Mr. Raj Kumar Khubchandani	27990	4.67	0.01
(ii) Mr. Bharat Kumar Khubchandani	17990	2.99	0.00
(iii) Mr. Sumit Khubchandani	156990	26.17	0.00
(iv) Mr. Nitin Khubchandani	134000	22.33	0.00
(v) Mr. Puneet Khubchandani	100010	16.67	0.00
(vi) Mrs. Bhakti Khubchandani	0	0.00	0.00
Total	436980	72.83	0.01

Shares held by promoters at the end of the year

S. No. / Promoter Name	As At 31st March, 2023		
	No. of Shares	% of Total Shares	% Change during the year
(i) Mr. Raj Kumar Khubchandani	27980	4.66	0.00
(ii) Mr. Bharat Kumar Khubchandani	17990	2.99	0.00
(iii) Mr. Sumit Khubchandani	0	26.17	0.00
(iv) Mr. Nitin Khubchandani	0	0.00	0.00
(v) Mr. Puneet Khubchandani	0	0.00	0.00
(vi) Mrs. Bhakti Khubchandani	0	0.00	0.00
Total	45970	33.82	0.00

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S. No. / Promoter Name	As At 31st March, 2022		
	No. of Shares	% of Total Shares	% Change during the year
(i) Mr. Raj Kumar Khubchandani	27980	4.66	0.00
(ii) Mr. Bharat Kumar Khubchandani	17990	2.99	0.00
(iii) Mr. Sumit Khubchandani	156990	26.17	0.00
(iv) Mr. Nitin Khubchandani	134000	22.33	0.00
(v) Mr. Puneet Khubchandani	100010	16.67	0.00
(vi) Mrs. Bhakti Khubchandani	0	0.00	0.00
Total	436970	72.82	0.00

Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares 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.

ANNEXURE VI

(₹ In Lakhs)

Reserves & Surplus As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	3017.38	2164.37	1463.49
Add: Profit / (Loss) for the year	1242.49	853.02	700.88
Net surplus/(deficit) in the Statement of Profit and Loss	4259.88	3017.38	2164.37

ANNEXURE VII

Long-Term Borrowings As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
a) Term Loans (Secured) From Bank	757.23	664.68	405.28
b) Loans and Advances (Unsecured) From Related Parties - Directors*	996.00	1084.30	888.02
TOTAL	1753.23	1748.98	1293.31

(Refer Annexure A for terms of security, repayment and other relevant details)

*The unsecured loans from Related Parties carry interest @ 12% p.a.

ANNEXURE VIII

Details Of Deferred Tax Assets (Net) As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Deferred Tax Assets arising on account of:			
-Difference of WDV as per Companies Act, 2013 and Income Tax Act, 1961	0.00	0.00	0.00
Expenses disallowed under Income Tax Act, 1961	2.10	4.05	1.84
Deferred Tax Liability arising on account of:			
-Difference of WDV as per Companies Act, 1961	-49.19	-48.03	-6.11
Income not taxable under Income Tax Act, 1961	0.00		
Total	-47.09	-43.97	-4.27

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ANNEXURE IX

(₹ In Lakhs)

Details Of Long-Term Provisions As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Long Term Provisions :			
Provision for Gratuity	60.48	69.11	53.50
TOTAL	60.48	69.11	53.50

ANNEXURE X

Details Of Short-Term Borrowings As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Working Capital Loans Repayable on Demand (Secured)			
From Bank	404.04	125.76	432.00
Current Maturities of Long Term Borrowings	196.70	142.10	16.99
TOTAL	600.74	267.86	449.00

(Refer Annexure A for terms of security, repayment and other relevant details)

ANNEXURE XI

Trade Payables As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Due to Micro, Small and Medium Enterprises	213.24	258.61	0.00
Due to Others	652.20	459.41	643.55
TOTAL	865.44	718.02	643.55

(Refer Annexure - XXIX for ageing)

ANNEXURE XII

Other Current Liabilities As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Interest Accrued But Not Due on Borrowings	5.16	4.80	0.21
Other Payables	301.26	244.21	240.03
TOTAL	306.42	249.01	240.24

ANNEXURE XIII

Short Term Provisions As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Provision - Others:			
Provision for Income Tax FY 2023-24	426.93	0.00	0.00
Provision for Income Tax FY 2022-23	0.00	253.69	0.00
Provision for Income Tax FY 2021-22	0.00	0.00	245.85
Provision for Income Tax FY 2020-21	0.00	0.00	0.00
Provision for Gratuity	1.64	1.36	0.87
Provision for Interest on I.Tax FY 2020-21	0.00	1.05	1.05
Provision for Impact of Tax Liability of Bad Debt Reversal	0.00	3.70	3.70
TOTAL	428.57	259.80	251.47

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ANNEXURE XIV

Property, Plant & Equipment & Intangible Asset As Restated

(Amount in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As At 01.04.2023	Addition during the Period	Deduction during the Period	As At 31.03.2024	As At 01.04.2023	Addition during the Period	Deduction during the Period	As At 31.03.2024	WDV as on 31.03.2024	WDV as on 31.03.2023
Property, Plant & Equipment										
Plant & Machinery	2804.15	65.11	0.00	2869.26	638.08	399.98	0.00	1038.06	1831.20	2166.07
Solar Power Plant	110.05	279.37	0.00	389.42	31.75	14.41	0.00	46.16	343.26	78.30
Building	478.20	87.36	0.00	565.55	63.27	42.52	0.00	105.79	459.76	414.92
Furniture & Fixtures	13.88	5.08	0.00	18.96	3.61	3.39	0.00	7.01	11.96	10.26
Computers	9.67	1.67	0.00	11.34	6.92	2.45	0.00	9.37	1.97	2.75
Vehicles	202.49	55.57	33.53	224.52	134.20	25.72	22.93	136.99	87.54	68.29
Office Equipment	13.56	4.22	0.00	17.78	8.75	3.20	0.00	11.95	5.83	4.81
Factory Land	173.00	0.00	0.00	173.00	0.00	0.00	0.00	0.00	173.00	173.00
Farm Land	226.67	0.00	0.00	226.67	0.00	0.00	0.00	0.00	226.67	226.67
Intangible Asset	0.00	5.27	0.00	5.27	0.00	0.44	0.00	0.44	4.83	0.00
Total As At 31.03.2024	4031.66	503.64	33.53	4501.77	886.57	492.11	22.93	1355.31	3146.01	3145.09

ANNEXURE XIV-A

Capital Work In Progress As Restated

DESCRIPTION	Incurred up to 31.03.2023	Incurred during the year	Capitalized during the year	Total as on 31.03.2024
Computer	0.00	0.00	0.00	0.00
Civil work in Progress	8.07	83.95	87.36	4.66
Furniture	0.00	2.70	0.00	2.70
Office Equipment	0.00	0.00	0.00	0.00
Plant & Machinery	5.36	116.34	30.08	91.62
Expenses Pending Capitalisation	0.00	0.00	0.00	0.00
TOTAL	13.43	202.99	117.44	98.98

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XIV

Property, Plant & Equipment & Intangible Asset As Restated

(Amount in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As At 01.04.2022	Addition during the year	Deduction during the year	As At 31.03.2023	As At 01.04.2022	Addition during the year	Deduction during the year	As At 31.03.2023	WDV as on 31.03.2023	WDV as on 31.03.2022
Property, Plant & Equipment										
Plant & Machinery	743.38	2060.77	0.00	2804.15	589.97	48.11	0.00	638.08	2166.07	153.41
Solar Power Plant	110.05	0.00	0.00	110.05	25.66	6.09	0.00	31.75	78.30	84.39
Building	75.05	403.15	0.00	478.20	59.59	3.69	0.00	63.27	414.92	15.46
Furniture & Fixtures	3.97	9.91	0.00	13.88	3.32	0.29	0.00	3.61	10.26	0.65
Computers	7.04	2.63	0.00	9.67	6.35	0.56	0.00	6.92	2.75	0.68
Vehicles	193.62	43.44	34.57	202.49	145.06	19.03	29.89	134.20	68.29	48.56
Office Equipment	9.46	4.10	0.00	13.56	7.48	1.27	0.00	8.75	4.81	1.98
Factory Land	173.00	0.00	0.00	173.00	0.00	0.00	0.00	0.00	173.00	173.00
Farm Land	226.67	0.00	0.00	226.67	0.00	0.00	0.00	0.00	226.67	226.67
Total As At 31.03.2023	1542.23	2524.00	34.57	4031.66	837.43	79.04	29.89	886.57	3145.09	704.80

ANNEXURE XIV-A

Capital Work In Progress As Restated

DESCRIPTION	Incurred up to 31.03.2022	Incurred during the year	Capitalized during the year	Total as on 31.03.2023
Computer	0.25	0.95	1.20	0.00
Civil work in Progress	115.22	274.02	381.17	8.07
Furniture	0.01	9.63	9.64	0.00
Office Equipment	0.67	1.69	2.36	0.00
Plant & Machinery	745.03	1214.38	1954.05	5.36
Expenses Pending Capitalisation	13.32	113.69	127.01	0.00
TOTAL	874.49	1614.36	2475.42	13.43

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XIV

Property, Plant & Equipment & Intangible Asset As Restated

(Amount in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As At 01.04.2021	Addition during the year	Deduction during the year	As At 31.03.2022	As At 01.04.2021	Addition during the year	Deduction during the year	As At 31.03.2022	WDV as on 31.03.2022	WDV as on 31.03.2021
<u>Property, Plant & Equipment</u>										
Plant & Machinery	742.19	1.18	0.00	743.38	553.15	36.81	0.00	589.97	153.41	189.04
Solar Power Plant	110.05	0.00	0.00	110.05	19.09	6.56	0.00	25.66	84.39	90.95
Building	75.05	0.00	0.00	75.05	57.55	2.04	0.00	59.59	15.46	17.50
Furniture & Fixtures	3.75	0.22	0.00	3.97	3.17	0.15	0.00	3.32	0.65	0.58
Computers	6.28	0.75	0.00	7.04	5.79	0.56	0.00	6.35	0.68	0.49
Vehicles	193.47	0.15	0.00	193.62	124.41	20.66	0.00	145.06	48.56	69.07
Office Equipments	7.86	1.59	0.00	9.46	6.66	0.82	0.00	7.48	1.98	1.20
Factory Land	4.35	0.00	0.00	4.35	0.00	0.00	0.00	0.00	4.35	4.35
Farm Land	395.33	0.00	0.00	395.33	0.00	0.00	0.00	0.00	395.33	395.33
Total As At 31.03.2022	1538.33	3.90	0.00	1542.23	769.83	67.60	0.00	837.43	704.80	768.51

ANNEXURE XIV-A

Capital Work In Progress As Restated

DESCRIPTION	Incurred up to 31.03.2021	Incurred during the year	Capitalized during the year	Total as on 31.03.2022
Civil Work in Progress	0.00	141.47	0.00	141.48
Machinery Work in Progress	0.75	718.95	0.00	719.70
Project Misc. Exp.	0.17	4.70	0.00	4.87
Project Power Maintenance	0.19	1.04	0.00	1.23
Interest Exp	0.00	7.22	0.00	7.22
TOTAL	1.12	873.37	0.00	874.49

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XV

(₹ In Lakhs)

Other Non Current Assets As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Security Deposit	19.38	17.64	14.53
TOTAL	19.38	17.64	14.53

ANNEXURE XVI

Inventories As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
(At lower of cost or the net realisable value)			
Raw Material	1129.58	976.62	963.59
Packing Material	7.40	3.92	6.72
Work in Progress	167.41	67.98	18.45
Finished Goods	169.04	266.83	348.24
Goods in Transit	158.92	116.79	81.45
TOTAL	1632.36	1432.13	1418.45

ANNEXURE XVII

Details Of Trade Receivables As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Unsecured, Considered Good			
Trade Receivable More than Six Months	64.80	0.00	57.05
Trade Receivable Less than Six Months	2568.77	1482.38	1388.82
TOTAL	2633.57	1482.38	1445.87

(Refer Annexure - XXX for ageing)

ANNEXURE XVIII

Cash & Cash Equivalent As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Cash-in-Hand	1.03	0.94	0.31
Balances with Bank in Current and Deposit Accounts	364.22	74.93	80.58
TOTAL	365.25	75.87	80.89

ANNEXURE XIX

Short Term Loans & Advances As Restated	As At 31st	As At 31st	As At 31st
Advance Recoverable in cash or in kind or for value to be received	68.43	18.09	311.47
Advance Income Tax/Refund Due	393.09	222.19	274.92
Earnest Money Deposit	2.30	0.47	1.78
Balance With Revenue Authorities	0.99	17.75	27.86
Prepaid Expenses	21.06	8.44	3.83
TOTAL	485.87	266.94	619.86

ANNEXURE XX

Other Current Assets As Restated	As At 31st March, 2024	As At 31st March, 2023	As At 31st March, 2022
Accrued Interest on FDR	0.42	0.66	0.66
Margin Money on Bill Discounted	0.00	0.00	0.13
TOTAL	0.42	0.66	0.79

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXI

(₹ In Lakhs)

<u>Revenue From Operations As Restated</u>	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Sales of Rubber Beltings & other Rubber Products	14058.64	9595.24	8313.62
Duty Draw Back Refund	1.03	4.10	0.36
Export Incentives	2.70	1.33	0.00
Revenue from Operations (Net)	14062.37	9600.66	8313.98

ANNEXURE XXII

<u>Other Incomes As Restated</u>	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest Received	9.84	9.26	12.83
Sundry Balances Written Back	0.94	1.15	0.86
Income Related to Previous Year	0.00	0.00	0.00
Freight On Sale	0.85	1.95	0.70
Gain on Foreign Currency Fluctuations	6.79	11.86	4.97
Profit on Sale on Assets	9.06	14.82	0.00
Miscellaneous Income	0.00	0.06	0.32
Insurance Claim Received	0.45	0.00	0.00
Excess Gratuity Provision W/Back	8.36	0.00	0.00
TOTAL	36.29	39.12	19.69

ANNEXURE XXIII

<u>Cost of Materials Consumed As Restated</u>	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
a) Raw Material			
Opening Stock	976.62	963.59	570.81
Add: Purchases	9538.60	6492.41	6187.79
	10515.22	7456.00	6758.60
Less: Purchase Return	0.00	2.24	0.00
Less: Purchase Discount	18.19	3.30	2.24
Less: Closing stock	1129.58	976.62	963.59
Cost of Raw Material Consumed (a)	9367.45	6473.85	5792.77
b) Packing Material			
Opening Stock	3.92	6.72	4.10
Add: Purchases	134.93	89.33	94.11
	138.85	96.05	98.21
Less: Closing stock	7.40	3.92	6.72
Cost of Packing Material Consumed (b)	131.45	92.13	91.48
TOTAL (a+b)	9498.89	6565.98	5884.25

ANNEXURE XXIV

<u>Changes in Inventories of Finished Goods & Work in Progress As Restated</u>	Year Ended	Year Ended	Year Ended
<u>Inventories At The End Of The Year</u>			
Work in Progress	167.41	67.98	18.45
Finished Goods	169.04	266.83	348.24
TOTAL(a)	336.45	334.81	366.69
<u>Inventories At The Beginning Of The Year</u>			
Work in Progress	67.98	18.45	17.32
Finished Goods	266.83	348.24	154.31
TOTAL(b)	334.81	366.69	171.63
Net (Increase)/Decrease (a - b)	(1.65)	31.88	(195.06)

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ANNEXURE XXV

(₹ In Lakhs)

Employee Benefit Expense As Restated	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Employer's Contribution to E.S.I.	10.92	7.90	5.89
Employer's Contribution to E.P.F.	54.20	55.68	55.91
Employee Recruitment Expenses	0.32	0.38	0.00
Gratuity Expenses	0.59	16.10	9.28
Salaries	162.33	100.00	87.05
Labour Welfare Expenses	22.60	14.86	12.30
Bonus	10.92	8.71	8.78
TOTAL	261.88	203.63	179.20

ANNEXURE XXVI

Financial Costs As Restated	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Bank Charges	9.06	7.26	10.61
Interest - Bank	117.15	16.66	19.85
Interest - Directors/Shareholders	0.00	112.62	92.81
Interest - Others	0.16	0.68	0.08
Interest on Income Tax	3.64	0.00	0.00
Exchange Fluctuation Loss	0.00	8.54	0.32
TOTAL	130.01	145.77	123.66

ANNEXURE XXVII

Details Of Depreciation And Amortization Expense As Restated	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation and Amortization Expenses	492.11	79.04	67.60
TOTAL	492.11	79.04	67.60

ANNEXURE XXVIII

Other Expenses As Restated	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Manufacturing Expenses			
Production Consumables	147.24	115.70	120.84
Import Handling Charges	14.37	1.60	3.31
Labour Charges	42.14	31.15	35.90
Water Charges	0.43	0.22	0.32
Contract Labour Wages	367.24	184.35	136.73
Power & Fuel	354.79	229.98	218.87
Mandana Electrical Expenses	0.00	1.18	0.00
Testing & Inspection Charges	1.51	1.53	0.28
Repairs to Machinery	127.17	58.44	41.05
Freight	519.27	329.84	324.16
Cartage	11.76	10.41	8.78
Loading & Unloading Expenses	0.00	0.00	0.00
Material Handling Expenses	1.74	0.00	0.00
Purchase Commission	0.63	0.00	0.00
TOTAL(a)	1588.28	964.41	890.24

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXVIII

(₹ In Lakhs)

Other Expenses As Restated	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
(b) Selling Expenses			
Export Handling Expenses	0.84	15.09	1.08
Advertisement Expenses	5.03	4.13	0.00
Sales Promotion Expenses	3.74	3.37	1.86
Discount	4.04	11.23	7.86
Late Delivery Charges	7.84	3.16	0.00
Sundry Balances Written Off	3.86		
TOTAL(b)	25.36	36.98	10.81
(c) Administrative Expenses			
Directors' Remuneration	236.30	337.20	284.00
Auditors' Remuneration	2.00	0.77	0.77
Bad Debts	0.41	4.90	44.45
Vehicle Running Expenses	12.03	12.23	7.53
Computer Expenses	2.52	2.54	1.17
Rates & Taxes	1.41	0.72	0.56
Professional Charges	38.92	21.22	11.85
Membership Fee & Subscription	0.59	0.17	0.10
Postage & Courier Expenses	0.54	0.47	0.41
Commission Expenses	6.36	4.83	0.00
Legal Expenses	3.30	1.31	0.99
Insurance Charges	4.81	5.15	3.64
Telephone/Mobile Expenses	0.71	0.72	1.06
Travelling Expenses	28.21	24.31	16.30
Printing & Stationery	1.80	1.17	0.93
Security Expenses	11.37	5.16	5.06
Rent	9.00	9.15	9.00
Repair & Maintenance-Building	1.25	1.03	0.44
Guest House Expenses	2.17	2.01	3.08
Expenses Related to Previous Year	0.00	0.14	0.00
Miscellaneous Expenses	29.79	9.22	6.67
Godown Rent	0.00	6.84	6.55
Corporate Social Responsibility Expense	17.94	14.43	11.27
Entry Tax Demand	0.00	0.00	0.00
Loss on sale of asset	0.00	0.00	0.00
Safety Expenses	1.28	0.00	0.00
Fees Related to Authorised Share Capital	18.53		
TOTAL(c)	431.23	465.68	415.82
TOTAL (a+b+c)	2044.87	1467.08	1316.87

ANNEXURE XXIX

Ageing of Trade Payable - For FY 2023-24

Outstanding for following periods from due date of payment	(i) MSME		(ii) Others		(iii) Disputed Dues- MSME		(iv) Disputed Dues - Others	
	Less than 1 year	213.24		652.20		0.00		0.00
1-2 year	0.00		0.00		0.00		0.00	
2-3 year	0.00		0.00		0.00		0.00	
more than 3 year	0.00		0.00		0.00		0.00	
Total								865.44

Ageing of Trade Payable - For FY 2022-2023

Outstanding for following periods from	Particulars			
	(i) MSME	(ii) Others	(iii) Disputed	(iv) Disputed
Less than 1 year	258.61	459.41	0.00	0.00
1-2 year	0.00	0.00	0.00	0.00
2-3 year	0.00	0.00	0.00	0.00
more than 3 year	0.00	0.00	0.00	0.00
Total				718.02

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXIX

Ageing of Trade Payable - For FY 2021-2022

Outstanding for following periods from due date of payment	Particulars			
	(i) MSME	(ii) Others	(iii) Disputed Dues- MSME	(iv) Disputed Dues - Others
Less than 1 year	0.00	643.55	0.00	0.00
1-2 year	0.00	0.00	0.00	0.00
2-3 year	0.00	0.00	0.00	0.00
more than 3 year	0.00	0.00	0.00	0.00
Total				643.55

ANNEXURE XXX

Ageing of Trade Receivables - For FY 2023-2024

Outstanding for following periods from due date of payment	Particulars			
	(i) Undisputed Trade Receivables- Considered Good (Unsecured)	(ii) Undisputed Trade Receivables- Considered Doubtful	(iii) Disputed Trade Receivables- Considered Good	(iv) Disputed Trade Receivables- Considered Doubtful
Less Than 6 Months	2568.77	0.00	0.00	0.00
6 months - 1 year	32.78	0.00	0.00	0.00
1-2 years	31.21	0.00	0.00	0.00
2-3 years	0.81	0.00	0.00	0.00
More than 3 years	0.00	0.00	0.00	0.00
TOTAL				2633.57

Ageing of Trade Receivables - For FY 2022-2023

Outstanding for following periods from due date of payment	Particulars			
	(i) Undisputed Trade Receivables- Considered Good (Unsecured)	(ii) Undisputed Trade Receivables- Considered Doubtful	(iii) Disputed Trade Receivables- Considered Good	(iv) Disputed Trade Receivables- Considered Doubtful
Less Than 6 Months	1482.38	0.00	0.00	0.00
6 months - 1 year	0.00	0.00	0.00	0.00
1-2 years	0.00	0.00	0.00	0.00
2-3 years	0.00	0.00	0.00	0.00
More than 3 years	0.00	0.00	0.00	0.00
TOTAL				1482.38

Ageing of Trade Receivables - For FY 2021-2022

Outstanding for following periods from due date of payment	Particulars			
	(i) Undisputed Trade Receivables- Considered Good (Unsecured)	(ii) Undisputed Trade Receivables- Considered Doubtful	(iii) Disputed Trade Receivables- Considered Good	(iv) Disputed Trade Receivables- Considered Doubtful
Less Than 6 Months	1388.82	0.00	0.00	0.00
6 months - 1 year	42.35	0.00	0.00	0.00
1-2 years	14.70	0.00	0.00	0.00
2-3 years	0.00	0.00	0.00	0.00
More than 3 years	0.00	0.00	0.00	0.00
TOTAL				1445.87

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXXI

(₹ In Lakhs)

Details Of Bifurcative Other Income As Restated	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Other Income	36.29	39.12	19.69
Net Profit Before Tax as Restated	1672.54	1146.40	957.16
Percentage	2.17	3.41	2.06

Source of Income

Interest Income	9.84	9.26	12.83	Recurring and not related to Business Activity
Sundry Balances Written Back	0.94	1.15	0.86	Recurring and not related to Business Activity
Freight On Sale	0.85	1.95	0.70	Recurring and not related to Business Activity
Gain on Foreign Currency Fluctuations	6.79	11.86	4.97	Recurring and not related to Business Activity
Profit on Sale on Assets	9.06	14.82	0.00	Recurring and not related to Business Activity
Miscellaneous Income	0.00	0.06	0.32	Recurring and not related to Business Activity
Insurance Claim Received	0.45	0.00	0.00	Recurring and not related to Business Activity
Excess Gratuity Provision W/Back	8.36	0.00	0.00	Recurring and not related to Business Activity
Total Other income	36.29	39.12	19.69	

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ANNEXURE XXXII

A. DISCLOSURE UNDER AS-15 AS RESTATED

Particulars	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31 , 2022
Employers' Contribution to Provident Fund and ESIC	0.91	16.48	9.28

B. DEFINED BENEFIT OBLIGATION

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary. The Company does not have a funded plan for gratuity liability.

I. ASSUMPTIONS:	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31 , 2022
Discount Rate	7.22	7.36	7.18
Future salary Increase	5.50	5.50	5.50
Withdrawal Rates			
Up to 30 Years	5.00	5.00	5.00
From 31 to 44 years	3.00	3.00	3.00
Above 44 years	2.00	2.00	2.00
Mortality Table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement Age	60 years	60 years	60 years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31 , 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Present Value of Benefit Obligation as at the beginning of the year	70.48	54.38	47.08
Current Service Cost	11.01	15.11	14.55
Past Service Cost			
Interest Cost	5.33	4.05	3.20
(Benefit paid)	-0.59	--	-1.97
Actuarial (gains)/losses	-24.11	-3.06	-8.47
Present value of benefit obligation as at the end of the year	62.12	70.48	54.38

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III. ACTUARIAL GAINS/LOSSES:	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Actuarial (gains)/losses on obligation for the year	-24.11	-3.06	-8.47
Actuarial (gains)/losses on asset for the year	--	--	--

IV. Expense Recognised:	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Current Service Cost	11.01	15.11	14.55
Past Service Cost	0.00	0.00	0.00
Interest Cost	5.33	4.05	3.20
Actuarial (gains)/losses	-24.11	-3.06	-8.47
Expense Charged to Statement of Profit and Loss	-7.77	16.10	9.28

V. Balance Sheet Reconciliation:	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Opening net liability	70.48	54.38	47.08
Expenses as above	-7.77	16.10	9.28
(Benefit Paid)	-0.59	0.00	-1.97
Net liability/(asset) recognised in the balance sheet	62.12	70.48	54.38

VI. Experience Adjustment :	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
On Plan Liability Gain/(Losses)	25.10	1.69	5.99

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

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ANNEXURE - XXXIII

DETAILS OF ACCOUNTING RATIOS AS RESTATED

(₹ In Lakhs, except per share data and ratios)

Particulars	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31 , 2022
Restated Profit after Tax as per Profit & Loss Statement (A)	1242.49	853.02	700.88
Tax Expense (B)	430.04	293.39	256.28
Depreciation and amortization expense (C)	492.11	79.04	67.60
Interest Cost (D)	117.15	129.28	112.65
Other Income (E)	36.29	39.12	19.69
Weighted Average Number of Equity Shares at the end of the Year (F)	600000	600000	600000
Weighted Average Number of Equity Shares Post Right Issue (G)	720000	720000	720000
Weighted Average Number of Equity Shares Post Bonus Issue (H)	14400000	14400000	14400000
Number of Equity Shares outstanding at the end of the Year (I)	600000	600000	600000
Nominal Value per Equity share (₹) (J)	10	10	10
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (K)	4319.88	3077.38	2224.37
Current Assets (L)	5117.46	3257.99	3565.87
Current Liabilities (M)	2201.16	1494.69	1584.24
Earnings Per Share - Basic & Diluted* (₹)	207.08	142.17	116.81
Earnings Per Share - Post Right Issue(₹)*	207.97	142.78	117.32
Earnings Per Share - Post Bonus Issue(₹)*	8.63	5.92	4.87
Return on Net Worth(%)*	28.76	27.72	31.51
Net Asset Value Per Share (₹)*	719.98	512.90	370.73
Current Ratio*	2.32	2.18	2.25
Earning before Interest, Tax and Depreciation and Amortization ¹ (EBITDA)	2245.51	1315.61	1117.72

*Notes -

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) : $\frac{A}{E}$

Return on Net Worth (%): $\frac{A}{H}$

Net Asset Value per equity share (₹): $\frac{H}{F}$

Current Ratio: $\frac{I}{J}$

Earning before Interest, Tax and Depreciation and Amortization (EBITDA): $A + (B+C+D-E)$

* Right and Bonus Shares have been issued post FY 2023-24

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXXIII
Accounting Ratios

Ratios	Numerator	Denominator	For the year ended March 31 , 2024	For the year ended March 31 , 2023	% of Change	Reason for change
Current Ratio	Current Asset	Current Liability	2.32	2.18	-6.66%	Not Required
Debt Equity Ratio	Total Debt	Shareholders' Equity	0.54	0.66	16.85%	Not Required
Debt Service Coverage Ratio	EBITDA	Debt Service (Int+Principal)	12.99	5.38	141.49%	Significant increase in profitability, and reduction in debts.
Return on Equity Ratio	Profit after Tax	Shareholder's Equity	0.29	0.28	-3.76%	Lower PAT for 9 months
Inventory Turnover Ratio	COGS	Average Inventory	6.51	6.59	1.25%	Not Required
Trade Receivables Turnover Ratio	Net Sales	Average Trade Receivables	4.95	6.55	24.54%	Not Required
Trade Payables Turnover Ratio	Net Purchase of Raw Material and Purchase of Stock in Trade	Average Trade Payables	12.23	9.70	-26.04%	Not Required
Net Capital Turnover Ratio	Value of Sales & Services	Working capital (CA-CL)	3.49	5.44	35.87%	Increase in Business Volume
Net Profit Ratio	Profit after Tax	Value of Sales & Services	0.12	0.09	-37.32%	Not Required
Return on Capital Employed	Earnings Before Interest and Tax	Capital Employed	0.27	0.25	-7.04%	Not Required
Return on Investment	Other Income	Non Current Investment	NA	NA	NA	NA

Note: Reasons for Variation more than 25%: Since, comparative period is full financial year, hence, not comparable

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<u>Ratios</u>	<u>Numerator</u>	<u>Denominator</u>	For the year ended March 31 , 2023	For the year ended March 31 , 2022	<u>% of Change</u>	<u>Reason for change</u>
Current Ratio	Current Asset	Current Liability	2.18	2.25	3.16%	Not Required
Debt Equity Ratio	Total Debt	Shareholders' Equity	0.66	0.78	16.33%	Not Required
Debt Service Coverage Ratio	EBITDA	Debt Service (Int+Principal)	5.38	11.36	52.65%	Increase in Term Loan
Return on Equity Ratio	Profit after Tax	Shareholder's Equity	0.28	0.32	12.03%	Not Required
Inventory Turnover Ratio	COGS	Average Inventory	6.59	7.18	8.23%	Not Required
Trade Receivables Turnover Ratio	Net Sales	Average Trade Receivables	6.55	6.71	2.33%	Not Required
Trade Payables Turnover Ratio	Net Purchase of Raw Material and Purchase of Stock in Trade	Average Trade Payables	9.70	11.35	14.54%	Not Required
Net Capital Turnover Ratio	Value of Sales & Services	Working capital (CA-CL)	5.44	4.20	-29.71%	Increase in Business Volume
Net Profit Ratio	Profit after Tax	Value of Sales & Services	0.09	0.08	-5.45%	Not Required
Return on Capital Employed	Earnings Before Interest and Tax	Capital Employed	0.25	0.27	7.11%	Not Required
Return on Investment	Other Income	Non Current Investment	NA	NA	NA	NA

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<u>Ratios</u>	<u>Numerator</u>	<u>Denominator</u>	For the year ended March 31 , 2022	For the year ended March 31 , 2021	<u>% of Change</u>	<u>Reason for change</u>
Current Ratio	Current Asset	Current Liability	2.25	2.92	22.92%	Not Required
Debt Equity Ratio	Total Debt	Shareholders' Equity	0.78	0.54	-43.93%	Due to increase in term loan for new project
Debt Service Coverage Ratio	EBITDA	Debt Service (Int+Principal)	11.36	10.07	-12.77%	Not Required
Return on Equity Ratio	Profit after Tax	Shareholder's Equity	0.32	0.26	-21.19%	Not Required
Inventory Turnover Ratio	COGS	Average Inventory	7.18	6.01	-19.43%	Not Required
Trade Receivables Turnover Ratio	Net Sales	Average Trade Receivables	6.71	6.54	-2.60%	Not Required
Trade Payables Turnover Ratio	Net Purchase of Raw Material and Purchase of Stock in Trade	Average Trade Payables	11.35	11.29	-0.53%	Not Required
Net Capital Turnover Ratio	Value of Sales & Services	Working capital (CA-CL)	4.20	3.56	-17.85%	Not Required
Net Profit Ratio	Profit after Tax	Value of Sales & Services	0.08	0.07	-20.44%	Not Required
Return on Capital Employed	Earnings Before Interest and Tax	Capital Employed	0.27	0.26	-3.74%	Not Required
Return on Investment	Other Income	Non Current Investment	NA	NA	NA	NA

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XXXIV
Statement Of Tax Shelter

Particular	For the year ended March 31 , 2024	For the year ended March 31 , 2023	For the year ended March 31, 2022
Profit before Tax as per books (A)	1672.54	1146.40	957.16
Income Tax Rate %	25.17%	25.17%	25.17%
MAT Rate %	0.00%	0.00%	0.00%
Tax at notional rate on profits	420.94	288.53	240.90
Adjustment			
Permanent Difference (B)			
Expenses disallowed under Income Tax Act, 1961			
Donation	0.25	0.11	0.00
Fees Related to Authorised Share Capital	18.53	0.00	0.00
CSR	17.94	14.43	11.27
Expenses related to PY	0.00	0.14	
Interest on TDS, Income Tax and MSME Dues & Other Taxes	0.06	0.07	0.00
Total Permanent Differences(B)	36.77	14.76	11.27
Income considered separately (C)			
Gain on Sale of Property, Plant & Equipment	-9.06	-14.82	0.00
Short Term Capital gain-MF	0.00	-0.06	0.00
Interest Income	-9.84	-9.26	-13.15
Total Income considered separately (C)	-18.90	-24.14	-13.15
Timing Difference (D)			
Depreciation as per Companies Act, 2013	492.11	79.04	67.60
Depreciation as per Income Tax Act, 1961	-491.06	-233.51	-66.50
Gratuity	-8.36	16.10	7.30
Total Timing Difference (D)	-7.31	-138.37	8.40
Net Adjustments E = (B+C+D)	10.56	-147.75	6.51
Tax expense / (saving) thereon	2.66	-37.19	1.64
Income from Other Sources			
Interest Income	9.84	9.26	13.15
Income from Other Sources (F)	9.84	9.26	13.15
Short Term Capital Gain U/s 50 of IT Act			
Short Term Gain on Sale of Assets	3.38	0.00	0.00
Income from Capital Gains (G)	3.38	0.00	0.00
Taxable Income/(Loss) as per Income Tax (A+E+F)	1696.32	1007.91	976.82
Taxable Income/(Loss) as per MAT	1672.54	1146.40	957.16
Income Tax as returned/computed	426.93	253.68	245.85
Tax Paid as per normal or MAT	Normal	Normal	Normal

*The Company has opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE 35

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

Rs. In Lacs								
Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the Year ended March 31, 2024	Amount outstanding as on March 31, 2024 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2022	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Raj Kumar Khubchandani	Director	Remuneration	39.85	-	67.20	-	56.00	-
		Interest	-	-	19.01	-	11.35	-
		Loan Taken	41.00	-	142.40	-	68.96	-
		Loan Repaid	193.85	60.96	69.00	213.81	16.50	123.31
Bharat Kumar Khubchandani	Director	Remuneration	34.80	-	48.00	-	41.00	-
		Interest	-	-	17.20	-	13.73	-
		Loan Taken	10.00	-	152.50	-	50.00	-
		Loan Repaid	129.55	41.45	143.00	161.00	17.50	136.02
BHAKTI KHUBCHANDANI	Director	Remuneration	12.55	-	4.20	-	3.50	-
		Interest	-	-	9.84	-	8.03	-
		Loan Taken	77.35	-	15.03	-	10.15	-
		Loan Repaid	15.00	150.06	12.25	87.71	-	76.08
SUMIT KHUBCHANDANI	Director	Remuneration	59.10	-	88.20	-	73.50	-
		Interest	-	-	20.06	-	16.73	-
		Loan Taken	96.75	-	20.00	-	12.65	-
		Loan Repaid	47.63	235.50	3.50	186.38	10.00	151.82
PUNEET KHUBCHANDANI	Director	Remuneration	45.00	-	64.80	-	55.00	-
		Interest	-	-	9.79	-	9.67	-
		Loan Taken	75.25	-	-	-	20.15	-
		Loan Repaid	15.50	150.14	-	90.39	22.00	81.58
BHAGWANTI KHUBCHANDANI	Spouse of Director	Remuneration	-	-	-	-	-	-
		Interest	-	-	4.28	-	6.20	-
		Loan Taken	9.62	-	13.58	-	1.66	-
		Loan Repaid	-	52.37	30.25	42.75	14.00	55.57
LAXMI KHUBCHANDANI	Spouse of Director	Remuneration	-	-	-	-	-	-
		Interest	-	-	10.69	-	10.16	-
		Loan Taken	38.50	-	0.21	-	0.40	-
		Loan Repaid	40.00	95.14	6.75	96.64	0.50	93.56
NITIN KHUBCHANDANI	Director	Remuneration	45.00	-	64.80	-	55.00	-
		Interest	-	-	8.80	-	6.53	-
		Loan Taken	132.25	-	-	-	22.15	-
		Loan Repaid	12.50	201.05	-	81.30	6.00	73.37
VINITA KHUBCHANDANI	Spouse of Director	Remuneration	3.85	-	-	-	-	-
		Interest	-	-	3.29	-	2.16	-
		Loan Taken	0.34	-	10.22	-	0.21	-
		Loan Repaid	30.00	3.65	-	33.31	-	20.13
NEHA KHUBCHANDANI	Spouse of Director	Remuneration	3.85	-	-	-	-	-
		Interest	-	-	4.17	-	3.34	-
		Loan Taken	0.43	-	5.35	-	0.25	-
		Loan Repaid	35.00	5.58	-	40.15	-	31.04
R.K. AND SONS, HUF	HUF of Director	Remuneration	-	-	-	-	-	-
		Interest	-	-	5.49	-	4.91	-
		Loan Taken	-	-	0.38	-	0.35	-
		Loan Repaid	50.76	0.10	-	50.86	-	45.54
Indana Rubber Industries	Partnership Firm of Directors	Purchases	9.57	-	9.94	-	10.52	-
		Rent	9.00	-0.84	9.00	1.55	9.00	2.40

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ANNEXURE - XXXVI

(₹ In Lakhs)

Details Of Contingent Liabilities & Commitments As Restated	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I. Contingent Liabilities			
(a) claims against the company not acknowledged as debt	--	--	--
(b) guarantees excluding financial guarantees; and	656.83	--	--
(c) other money for which the company is contingently liable			
II. Commitments			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	--	--	--
(b) uncalled liability on shares and other investments partly paid	--	--	--
(c) other commitments	--	--	--

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ANNEXURE XXXVII

(₹ In Lakhs)

Details Of Restated Value Of Imports Calculated On C.I.F. Basis	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
CIF Value of Imports:			
Raw Materials	347.90	66.98	142.27
Machineries	0.00	0.00	173.92

ANNEXURE XXXVIII

Details Of Expenditure In Foreign Currency	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenditure in Foreign Currency	0.00	0.00	0.00

ANNEXURE XXXIX

Details Of Earnings In Foreign Exchange As Restated	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Earnings in Foreign Currency:			
FOB Value of Exports	109.75	323.45	146.59

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ANNEXURE XL

Details Of Dues Of Small Enterprises And Micro Enterprises As Restated	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Dues remaining unpaid to any supplier at the end of each accounting year			
Principal	213.24	258.61	0.00
Interest on the above	0.00	0.00	0.00
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, 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
(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 Micro, Small and Medium Enterprises Development Act, 2006;	0.00	0.00	0.00
(d) 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 Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00	0.00

Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises

EUREKA CONVEYOR BELTINGS LIMITED
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ANNEXURE XLI

Additional Regulatory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies, which have been struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced, loaned or invested funds 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

(vi) The Company has not received any fund 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,

(vii) The Company does not have any such transaction, which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year 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

(viii) The Company does not have any Immovable Property which is not held in the name of the company

(ix) The Company has not revalued its Property Plant and Equipment In the current financial year.

(x) The Company has been sanctioned working capital limits from banks during the year on the basis of security of current assets of the Company. However, there is no requirement to submit quarterly returns or statements of current assets.

(xi) The Company is not declared as wilful defaulter by any bank or financial institution.

(xii) The Company doesn't have any associate, holding or subsidiary company.

(xiii) The Company has not made any loan or advance to promoter, director, KMPs and any related party

(xiv)The Company has capital work-in-progress for which ageing schedule is as follows:

a. As on March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Civil work in Progress	4.66	0.00	0.00	0.00	98.98
Furniture	2.70	0.00	0.00	0.00	
Plant & Machinery	91.62	0.00	0.00	0.00	

b. As on March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Civil work in Progress	8.07	0.00	0.00	0.00	13.43
Plant & Machinery	5.36	0.00	0.00	0.00	

EUREKA CONVEYOR BELTINGS LIMITED
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c. As on March 31, 2022:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Civil Work in Progress	141.47	0.00	0.00	0.00	874.49
Machinery Work in Progress	718.95	0.75	0.00	0.00	
Project Misc. Exp.	4.70	0.17	0.00	0.00	
Project Power Maintenance	1.04	0.19	0.00	0.00	
Interest Exp	7.22	0.00	0.00	0.00	

ANNEXURE XLII

Capitalisation Statement As At March 31, 2024

(₹ In Lakhs)

Particulars	Pre Issue	*Post Issue
Borrowings		
Short term Debt (A)	600.74	600.74
Long Term Debt (B)	1753.23	1753.23
Total Debts (C)	2353.97	2353.97
Shareholders' funds		
Share Capital	60.00	--
Reserve and Surplus - as Restated	4259.88	--
Total Shareholders' Funds (D)	4319.88	--
Long Term Debt / Shareholders Funds (B/D)	0.41	--
Total Debt /Shareholders Funds (C/D)	0.54	--

* Post Issue figures for debts are taken as pre issue figures and data for shareholders funds are not given since issue price is not yet finalized.

ANNEXURE XLIII

(Amount in Lakhs)

Corporate Social Responsibility	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Amount required to be spent	17.94	14.43	11.26
Amount of expenditure incurred	17.94	14.43	11.27
Shortfall at the end of the year	0.00	0.00	0.00
Total of previous year shortfall	0.00	0.00	0.00
Reason for shortfall	NA	NA	NA
Transaction with related party	0.00	0.00	0.00

Nature of CSR Activity-The above expenditure was incurred for Social Service and Educational Purposes.

Signatures to Annexures Forming Part Of The Restated Financial Statements

FOR SANJAY KHANDELWAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 FRN:002805C

Peer Review Certificate No.013973 dt. 14.12.2021

FOR EUREKA CONVEYOR BELTINGS PVT. LTD.

(S.KHANDELWAL)
 PARTNER
 M. No.:036468
 UDIN:24036468BKEBSI8174
 KOTA, August 13, 2024

(R. K. KHUBCHANDANI) (B. K. KHUBCHANDANI)
 Chairman Managing Director
 DIN-00954559 DIN-00954559

(SUMIT KHUBCHANDANI) (PRERNA JAIN)
 Director & CFO Company Secretary
 DIN-00954610

EUREKA CONVEYOR BELTINGS LIMITED
(FORMERLY KNOWN AS "EUREKA CONVEYOR BELTINGS ORIVATE LIMITED")
CIN:U25201RJ1993PTC007425

ANNEXURE 'A' TO AANEXURE VII

(₹ In Lakhs)

DETAILS FOR TERMS OF BORROWINGS AS RESTATED:

Sr. No.	Name of Lender	Nature of Security	Repayment Terms	Sanction Amount	Rate of Interest (%)	Tenure (Months)	No of O/s Installments	Installment	Outstanding as on March 31, 2024	Outstanding as on March 31, 2023	Outstanding as on March 31, 2022
1	HDFC BANK LTD.	CAR JEEP COMPASS	Repayable in 60 EMI	2100000.00	9.25	60	2	0.00	86696.22	579797.66	1029491.54
2	HDFC BANK LTD.	CAR INNOVA1830	Repayable in 60 EMI	2000000.00	8.70	60	9	0.00	0.00	800406.11	1206114.30
3	HDFC BANK LTD.	CAR TATA TIGORE	Repayable in 39 EMI	806681.00	8.90	39	28	23896.00	602171.10	0.00	0.00
4	HDFC BANK LTD.	CAR TUCSON	Repayable in 84 EMI	1798300.00	8.15	39	22	52642.00	1072380.91	1593395.25	0.00
5	HDFC BANK LTD.	TERM LOAN BUILDING AND MACHINERY	Repayable in 39 EMI	10000000.00	9.50	84	49	1617252.00	64951468.39	77547432.16	38990306.00
6	SIDBI LTD.	SOLAR PLANT	Repayable in 60 EMI	19800000.00	8.00	60	54	472628.00	17718000.00	0.00	0.00
7	SIDBI LTD.	SOLAR PLANT	Repayable in 60 EMI	9360000.00	8.20	60	60	676291.00	8225000.00	0.00	0.00
8	ICICI LTD.	CAR PASSAT	Repayable in 60 EMI	2598000.00	8.50	60	0	53303.00	0.00	157662.00	755989.00
9	HDFC BANK LTD.	SKODA KODIAK	Repayable in 39 EMI	2800000.00	8.90	39	38	82942.00	2737824.34	0.00	0.00
10	CC WITH HDFC BANK LTD.	BUILDING AND MACHINERY	Repayable on Demand	10500000.00	9.00	12M	NA	NA	40403672.00	12546789.18	43200313.96
11	OD WITH HDFC BANK LTD.	BUILDING AND MACHINERY	Repayable on Demand	100000.00	9.00	12M	NA	NA	-19972761.00	29049.68	9201.00
12	BHAGWANTI KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	5237139.00	4275139.13	5557313.13
13	BHAKTI KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	15006128.00	8771127.97	7607745.97
14	BHARAT KUMAR KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2500000.00	0	NA	NA	NA	4144896.00	16098895.82	13601808.82
15	LAXMI KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	9514502.00	9664501.95	9356196.95
16	NEHA KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	557883.00	4014933.39	3104624.39
17	NITIN KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	20104838.00	8129837.95	7337398.95
18	PUNEET KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	15013696.00	9038695.98	8157667.98
19	RAJKUMAR KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2500000.00	0	NA	NA	NA	6096008.00	21381007.77	12330554.77
20	RAJKUMAR AND SONS HUF	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	10285.00	5086285.12	4553992.12
21	SUMIT KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	23549975.00	18637975.36	15182186.36
22	VINITA KHUBCHANDANI	UNSECURED LOAN	Repayable on Demand	2000000.00	0	NA	NA	NA	364544.00	3330543.90	2012838.90

OTHER FINANCIAL INFORMATION

(Rs. In Lakhs, except per share data and ratios)

Particulars	As at 31st March	As at 31st March	As at 31st March
	2024	2023	2022
Restated PAT as per P& L Account (Rs. in Lakhs)	1242.49	853.02	700.88
EBITDA (Rs. in Lakhs)	2245.51	1315.61	1117.72
Actual No. of Equity Shares outstanding at the end of the period	600000	600000	600000
Weighted Average Number of Equity Shares at the end of the Period (Note -2)	600000	600000	600000
Weighted Average Number of Equity Shares Post Right Issue (Note -2)	720000	720000	720000
Weighted Average Number of Equity Shares Post Bonus Issue (Note -2)	14400000	14400000	14400000
Net Worth	4319.88	3077.38	2224.37
Current Assets	5117.46	3257.99	3565.87
Current Liabilities	2201.16	1494.69	1584.24
Earnings Per Share	207.08	142.17	116.81
Basic EPS (Pre-Bonus)	207.08	142.17	116.81
EPS (Post Bonus)	8.63	5.92	4.87
Return on Net Worth (%)	28.76	27.72	31.51
Net Asset Value Per Share (Pre-Bonus)	719.98	512.90	370.73
Net Asset Value Per Share (Post Bonus)	29.99	21.37	15.45
Current Ratio	2.32	2.18	2.25
EBITDA (Rs. in Lakhs)	2245.51	1315.61	1117.72
Nominal Value per Equity share (Rs.)	10	10	10
* The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.			

Notes:

- 1) The ratios have been calculated as below:
 - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
 - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
 - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
 - d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
- 2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
- 3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)
- 5) The figures disclosed above are based on the Restated Financial Statements of the Company

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 23 and "Forward Looking Statements" beginning on page 16, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of our company" on Page No. 179 of the Draft Red Herring Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

Overview

Our Company is in the business of manufacturing and exporting a wide range of conveyor rubber belts, industrial rubber belts, industrial conveyor beltings, heat resistant conveyor belts etc. These engineered conveyor belts and industrial beltings cater to the material handling requirements across various process industries such as coal handling, iron ore handling, clinker handling, fuel handling etc. Our company provides durable, efficient, and quality conveyor belt solutions across various industries.

We offer a complete solution for belt selection, troubleshooting, splicing protocol and guidance, and technical support to address perennial issues. Our product range includes all types of textile conveyor belts, splicing solutions, sidewall belts, and specialized products.

Our Company was originally incorporated as "Eureka Products Private Limited" vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Eureka Conveyor Beltings Private Limited" to "Eureka Conveyor Beltings Limited" vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U25201RJ1993PLC007425.

Our Registered Office of the company is situated at F-53, Chambal Industrial Area, Industrial Estate, Kota- 324003, Rajasthan, India and manufacturing units at Unit-I: F-51-F52, Chambal Industrial Area, Kota, Rajasthan-324003, India and Unit-II at Khasra No 117/2, 343/117 & 344/132, Village Mukundpura, Mandana, Kota, Rajasthan – 325003, India.

We are ISO 9001:2015 certified in manufacturing of conveyor belts. We are implementing latest technology with inhouse manufacturing, our trained technocrats have been capable to fabricate the conveyor belts, which comply with Industrial Standards. Customization facility, prompt post-safe services and transparent business policy have enabled us to gain an edge in industry.

The manufacturing units of Eureka Conveyor Beltings Limited is located in Kota, Rajasthan. Our manufacturing facilities is equipped with advanced conveyor belting presses, boasting a production capacity of 2,000 meters per day. This technology enables us to produce conveyor rubber belts with tailor made fabrics designs and strengths suitable as per application requirement. Our comprehensive Quality Assurance Program (QAP) and Quality Control (QC) system test both in-process and finished belts to ensure they meet our stringent specifications.

The experience of our team enables us to always offer the best product & solution to our clients. Over the years, we have bagged many prestigious Awards, which include Business Excellence Award, Top 10 conveyor component manufacturer Awards and appreciation certificate for outstanding performance in the field of Special Rubber Products from Small Scale Industries association. This is an acknowledgment of our superior quality products & process controls.

Our Promoter and key managerial personnel have been instrumental in the growth of our business and actively advise us on corporate strategy and planning. We have a strong management team with significant industry experience. Our Chairman & Whole Time Director Mr. Raj Kumar Khubchandani, Managing Director, Mr. Bharat Kumar Khubchandani and Whole Time Directors, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mrs. Bhakti Khubchandani and Mr. Puneet Khubchandani have 43,43,19,19,12 and 12 years of experience respectively in rubber industry, thus vast experience of the Directors have been

instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decade in the industry in which our Company operates.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Restated Standalone Financial Statements under chapter titled “Restated Financial Statements” beginning on page 179 of this Draft Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 23 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Destructions in our manufacturing process and changes in price of raw material.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. Inability to successfully obtain registrations in a timely manner or at all;
8. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
9. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
10. Recession in the market;
11. Changes in laws and regulations relating to the industries in which we operate;
12. Our ability to expand our geographical area of operation
13. Effect of lack of infrastructure facilities on our business;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
17. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. The performance of the financial markets in India and globally;
20. Any adverse outcome in the legal proceedings in which we are involved;
21. Our ability to expand our geographical area of operation;
22. Concentration of ownership among our Promoters.

RESULTS OF OUR OPERATION

(Rs.in Lakhs)

Particulars	For The Year Ended 31st March					
	2024	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
Revenue:						
Revenue from Operations	14062.37	99.74	9600.66	99.59	8313.98	99.76
Other income	36.29	0.26	39.12	0.41	19.69	0.24
Total revenue	14098.66	100.00	9639.78	100.00	8333.66	100.00
Expenses:		0.00		0.00		0.00
Cost of Material Consumed	9498.89	67.37	6565.98	68.11	5884.25	70.61
Change in Inventories of WIP, Finished Goods & Stock in Trade	-1.65	-0.01	31.88	0.33	-195.06	-2.34
Employees Benefit Expenses	261.88	1.86	203.63	2.11	179.20	2.15

Finance costs	130.01	0.92	145.77	1.51	123.66	1.48
Depreciation and Amortization	492.11	3.49	79.04	0.82	67.6	0.81
Other expenses	2044.87	14.50	1467.08	15.22	1316.87	15.80
Total Expenses	12426.12	88.14	8493.37	88.11	7376.51	88.51
Profit before exceptional and extraordinary items and tax	1672.54	11.86	1146.40	11.89	957.16	11.49
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
Profit before extraordinary items and tax	1672.54	11.86	1146.40	11.89	957.16	11.49
Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00
Profit before tax	1672.54	11.86	1146.4	11.89	957.16	11.49
Tax expense :						
Current tax	426.93	3.03	253.69	2.63	245.85	2.95
Deferred Tax	3.11	0.02	39.7	0.41	10.43	0.13
Total Tax Expenses	430.04	3.05	293.39	3.04	256.28	3.08
Profit (Loss) for the period from continuing operations	1242.49	8.81	853.02	8.85	700.88	8.41

Review of Restated Financials

Key Components of Company's Profit and Loss Statement

Revenue from operations: Revenue from operations mainly consists from Sales of products

Other Income: Other Income Consist of Interest Income, Foreign Exchange Fluctuation & Misc. Income etc.

Expenses: Company's expenses consist of Depreciation Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

Employee Benefits Expense: Employee benefit expenses includes Salaries and Wages, Contribution of Provident & Other Funds, Gratuity Expenses, Staff Welfare Expenses etc.

Finance Cost: Finance Cost includes Interest & Bank Charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Other Expenses: Other expenses includes Graphic Design charges, professional charges, technical charges Commission Expenses, Auditors Remuneration, Printing & Stationary Expenses, Rent Expenses, Travelling Expenses, Portal subscription expenses, forex charges, consultancy charges etc.

Fiscal 2024 compared with Fiscal 2023

Revenue from Operation

Revenue from operations had increased by 46.47 % from ₹9600.66 lakhs in Fiscal 2023 to ₹14062.37 lakhs in Fiscal 2024. This was due to start production from Mandana Unit in Marc'2023 & increase of sales of Belt.

Other Income

Other income had decreased by 7.23% from ₹39.12 lakhs in Fiscal 2023 to ₹36.29 lakhs in Fiscal 2024. This was decreased due to "Gain on Foreign Currency Fluctuations" was decreased from ₹ 11.86 to ₹ 6.79 lakhs & "Profit on Sale on Assets" was decreased from ₹ 14.82 to ₹ 9.06 lakhs.

Cost of Material consumed

Cost of Material Consumed has been increased by 44.67% from Rs. 6565.98 lakhs in Fiscal 2023 to Rs. 9498.89 Lakhs in Fiscal 2024. This increase was happened due to increase in sales of products manufactured.

Change in Inventories of finished Goods and WIP

Change in Inventories of Finished goods & WIP has been decreased by 105.18% from Rs. 31.88 lakhs in Fiscal 2023 to Rs. (1.65) Lakhs in Fiscal 2024. This decrease was happened due to increase in Closing Inventories of Inventories of Finished goods & WIP.

Employee Benefit Expenses

Employee benefit expenses had increased by 28.61% from ₹ 203.63 lakhs in Fiscal 2023 to ₹ 261.88 lakhs in Fiscal 2024 due to increases in salary & employees.

Finance Cost

Finance Cost had decreased by -10.81% negligible amount from 145.77 lakhs in Fiscal 2023 to 130.01 lakhs in Fiscal 2024.

Depreciation and Amortization Expenses

Depreciation had increased by 522.61% from ₹79.04 lakhs in Fiscal 2023 to ₹492.11 lakhs in Fiscal 2024 due to purchase of fixed assets at Mandana Unit & production commencement by Mar'23.

Other Expenses

Other expenses had increased by 39.38% from ₹1467.08 lakhs in Fiscal 2023 to ₹ 2044.87 lakhs in Fiscal 2024 due to increase in "Production Consumables", "Contract Labour Wages" cost of "Power & Fuel" & "Freight".

Tax Expenses

The Company's tax expenses had increased by 46.58% from ₹293.39 lakhs in the Fiscal 2023 to ₹430.04 lakhs in Fiscal 2024.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹1242.49 lakhs in Fiscal 2024 as compared to a net profit of ₹853.02 lakhs in Fiscal 2023 by of 45.66% due to increase of PAT.

Fiscal 2023 compared with Fiscal 2022

Revenue from Operation

Revenue from operations had increased by 15.48% from ₹8313.98 lakhs in Fiscal 2022 to ₹9600.66 lakhs in Fiscal 2023 which was due to increase in sales of belts during the year.

Other Income

Other income had increased by 98.68% from ₹19.69 lakhs in Fiscal 2022 to ₹39.12 lakhs in Fiscal 2023. This was increased due to "Gain on Foreign Currency Fluctuations" was increased from ₹ 4.97 to ₹ 11.86 lakhs & "Profit on Sale on Assets" was increased from ₹ NIL to ₹14.82 lakhs.

Cost of Material consumed

Cost of Material Consumed has been increased by 11.59% from Rs. 5884.25 lakhs in Fiscal 2022 to Rs. 6565.98 Lakhs in Fiscal 2023. This increase was happened due to increase in sales of products manufactured.

Change in Inventories of finished Goods and WIP

Change in Inventories of Finished goods & WIP has been increased by 116.34% from Rs. (195.06) lakhs in Fiscal 2022 to Rs. 31.88 Lakhs in Fiscal 2023. This increase was happened due to decrease in Closing Inventories of Inventories of Finished goods

& WIP.

Employee Benefit Expenses

Employee benefit expenses had increased by 13.63% from ₹179.20 lakhs in Fiscal 2022 to ₹ 203.63 lakhs in Fiscal 2023 due to increases in salary & employees.

Finance Cost

Finance Cost had increased by 17.88% from ₹123.66 lakhs in Fiscal 2022 to ₹145.77 lakhs in Fiscal 2023 due to increase finance of Unsecured Loans.

Depreciation and Amortization Expenses

Depreciation had increased by 16.92% from ₹67.60 lakhs in Fiscal 2022 to ₹79.04 lakhs in Fiscal 2023 due to increase of plant & machinery.

Other Expenses

Other expenses had increased by 11.41% from ₹1316.87 lakhs in Fiscal 2022 to ₹ 1467.08 lakhs in Fiscal 2023 due to increase in “Contract Labour Wages” & “Freight”.

Tax Expenses

The Company’s tax expenses had increased by 14.48% from ₹256.28 lakhs in the Fiscal 2022 to ₹293.39 lakhs in Fiscal 2023.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹853.02 lakhs in Fiscal 2023 as compared to a net profit of ₹700.88 lakhs in Fiscal 2022 by of 21.71% due to increase of PAT.

Cash Flows

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash from Operating Activities	645.08	1488.52	(54.55)
Net Cash from Investing Activities	(559.68)	(1634.18)	(864.44)
Net Cash used in Financing Activities	210.76	137.32	789.88

Cash Flows from Operating Activities

Net cash from operating activities for fiscal 2024 was at ₹ 645.08 lakhs as compared to the Profit Before Tax at ₹1672.54 lakhs while for fiscal 2023 Net cash from operating activities was at ₹1488.52 lakhs as compared to the Profit Before Tax at 1146.40 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for fiscal 2023 was at ₹ 1488.52 lakhs as compared to the Profit Before Tax at 1146.40 lakhs while for fiscal 2022 Net cash from operating activities was at ₹ (54.55) lakhs as compared to the Profit Before Tax at 957.16 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital & Income Tax Paid.

Cash Flows from Investment Activities

In fiscal 2024, the net cash invested in Investing Activities was ₹ 559.68 lakhs. This was mainly on account of Purchases of Fixed Assets and Interest income.

In fiscal 2023, the net cash invested in Investing Activities was ₹ 1634.18 lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2022, the net cash invested in Investing Activities was ₹ 864.44 lakhs. This was mainly on account of Purchases of Fixed Asset.

Cash Flows from Financing Activities

In fiscal 2024, the net cash from financing activities was ₹ 210.76 lakhs. This was mainly on account of proceeds from borrowings

In fiscal 2023, the net cash from financing activities was ₹ 137.32 lakhs. This was mainly on account of proceeds from borrowings

In fiscal 2022, the net cash from financing activities was ₹ 789.88 lakhs. This was mainly on account of proceeds from borrowings

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except for any change in economic policy affecting our industry in India, there are no other 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 23 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

5. Increases in net sales or revenue and Introduction of new services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

6. Status of any publicly announced New Products or Business Segment

Our Company has not announced any new Product.

7. Seasonality of business

Our Business is not seasonal in Nature.

8. Dependence on few customers/ clients

The percentage of contribution of our Company’s Top Customers/Clients for the period ended March 31, 2024 is as follows:

Particulars	Customers
Top Ten (%)	40.33 %

9. Competitive conditions

Competitive conditions are as described under the Chapters “Industry Overview” and “Business Overview” beginning on pages 106 and 119 respectively of the Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2024

After the date of last Balance sheet i.e. March 31, 2024, the following material events have occurred after the last audited period:

- Our Company has passed a Board Resolution to approve Right Issue of Equity Shares in the Ratio of 1:5 in Board Meeting dated April 5, 2024.
- Our Company has passed a Shareholders Resolution to approve Bonus Issue of Equity Shares in the Ratio of 19:1 in Extra Ordinary General Meeting held on April 12, 2024 and passed a Board Resolution dated April 13, 2024 for allotment of Bonus equity shares.
- Our Company has passed a Board Resolution in Board Meeting dated April 5, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on April 8, 2024 for conversion of the Company from “Private Limited” to “Public Limited” and subsequently Alteration in Clause I of the Memorandum of Association of the Company.
- Our Company has passed a Board Resolution for Adoption of New sets of Articles of Association in Board Meeting held On April 5, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on April 8, 2024.
- Our Company has passed a Board Resolution for Alteration in object Clause of MOA in Board Meeting held On April 5, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on April 8, 2024.
- Our Company has changed in its Registered office vide Board Resolution Dated June 1, 2024.
- We have changed the designation of Mr. Raj Kumar Khubchandani as Chairman and Whole Time Director Mr. Bharat Khubchandani as Managing Director, Mr. Sumit Khubchandani, Mr. Nitin Khubchandani, Mr. Puneet Khubchandani, Mrs. Bhakti Khubchandani as Whole Time Director w.e.f. July 1, 2024 in Extra Ordinary Genreal Meeting vide shareholders resolution dated July 22, 2024.
- Our Company has passed Shareholders Resolution for appointment of Mr. Suresh Kishnani as Non-Executive Independent Director of the Company in Extra Ordinary General Meeting held on July 22, 2024.
- Our Company has passed Shareholders Resolution for appointment of Mr. Atul Sobti as Non-Executive Independent Director of the Company in Extra Ordinary General Meeting held on July 22, 2024.
- Our Company has passed Shareholders Resolution for appointment of Mr. Atishay Jain as Non-Executive Independent Director in Extra Ordinary General Meeting held on July 22, 2024.
- Our Company has passed Board Resolution in Board Meeting for appointment of Ms. Purna Jain as Company Secretary and Compliance Officer of the Company w.e.f. April 1, 2024.
- Our Company has passed Board Resolution in Board Meeting for appointment of Mr. Sumit Khubchandani as Chief Financial Officer of the Company w.e.f. July 1, 2024.
- Our Company has constituted an Audit Committee (“Audit Committee”), Nomination and Remuneration Committee, Stakeholders Relationship Committee vide Board Resolution dated July 26, 2024 as per applicable provisions of Companies Act, 2013 and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of BSE.
- Our Company has passed a Board Resolution for Initial Public Offer in Board Meeting held on July 15, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on July 22, 2024
- Our Company has adopted Materiality Policy pursuant to Para 12(A)(1)(V) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for pending litigations and adopted materiality policy, for disclosure of material creditors Pursuant to Para 12(A)(2) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 vide Board Resolution dated July 26, 2024
- Our Company has adopted materiality policy for identification of Group Companies Pursuant to Regulation 2(1)(t) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 vide Board Resolution dated July 26, 2024.
- Our Company has adopted Insider Trading Policies and other policies vide Board Resolution dated July 26, 2024 to comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015.

- Our Company has adopted Whistle Blower and/or Vigil Mechanism and other policies vide Board Resolution dated July 26, 2024 pursuant to applicable provisions of Companies Act, 2013.
- Our Company has adopted Code of Conduct as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide Board Resolution dated July 26, 2024.

CAPITALIZATION STATEMENT

(Rs. in Lakhs)

Particulars	Pre Issue	*Post Issue
Borrowings		
Short term Debt (A)	600.74	--
Long Term Debt (B)	1753.23	--
Total Debts (C)	2353.97	--
Shareholders' funds		
Share Capital	60.00	--
Reserve and Surplus - as Restated	4259.88	--
Total Shareholders' Funds (D)	4319.88	--
Long Term Debt / Shareholders Funds (B/D)	0.41	--
Total Debt /Shareholders Funds (C/D)	0.54	--

* Post Issue figures are not available since issue price is not yet finalized.

SECTION X – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.

Our Board, in its meeting held on July 26, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds ₹ 5.00 lakhs or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds ₹ 5.00 lakhs as per the latest restated standalone financial statements of the Company.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

A Case No. CR.REG.CASE 12475/2017 has been filed by our Company under section 138 of Negotiable Instruments Act, 1881 against Beltings Enterprises in the Court of Chief Judicial Magistrate Kota on August 04, 2017. The matter is pending adjudication before the Court.

(c) Other pending material litigations against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated against the Company.

(d) Other pending material litigations filed by the Company

- i. The Company had earlier filed cases against Universal Construction Machinery and Equipment Limited vide Execution Case No. 34/2018 in Kota District Court Complex which was disposed and MSME Case No. 179/2014 filed in RMSEFC Council, in which, the award was granted in favour of the Company, however, the amount could not be recovered. Now, the Company has filed a claim of Rs. 40,14,786 (Principal Amount - Rs. 3,61,145 and Interest - Rs. 36,53,641) to the Interim Resolution Professional appointed in the case of Universal Construction Machinery and Equipment Limited as an Operational Creditor on April 25, 2024.

(e) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

(a) Criminal proceedings against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

(b) Criminal proceedings filed by the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters

& Directors of the Company.

(c) Other pending material litigations against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(d) Other pending material litigations filed by the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by the statutory and regulatory authorities against the Promoters & Directors.

(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

C. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY

(a) Criminal proceedings against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the group company of the company.

(b) Criminal proceedings filed by the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

(c) Other pending material litigations against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the group company, which have been considered material by the Company in accordance with the Materiality Policy.

(d) Other pending material litigations by the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the group company, which have been considered material by the Company in accordance with the Materiality Policy.

(e) Actions by statutory and regulatory authorities against the group company of the company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group company.

D. TAX PROCEEDINGS

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)	Status
Of the Company			
(Income Tax) Demand Outstanding	1	0.06	Outstanding Demand for AY 2018-19.
Income Tax (e-proceedings)	1	amount	Income tax authorities have issued a notice

		unascertainable	u/s 133(6) of the I.T. Act, 1961 for F.Y 2021-2022 demanding details of total donations/contributions made to High On Life Trust during AY 2022-2023.
(TDS)	9	2.80	TDS Defaults for various financial years.
(GST)	2	21.02	1. Intimation of Demand DRC-01 dated February 15, 2024 for FY 2018-19 for Rs.20,74,281. Company has submitted the reply on February 22, 2024. Final Order is yet to be received. 2. Show Cause Notice cum Demand DRC-01 dated May 22, 2024 for FY 2019-20 for Rs.28,021. Company has submitted the reply on May 22, 2024. The final order has not been received.
Of the Group Company			
Indiana Rubber Industries			
Income Tax proceedings (e-	1	amount unascertainable	A Notice for AY 2018-19 dated February 20, 2019 was issued u/s 143(1)(a) for the proposed adjustment amounting to Rs. 24,536 for the disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return. Final demand has not been issued.
(TDS)	6	0.21	TDS Defaults for various Financial Years
(GST)	1	0.01	Intimation of Demand DRC-01A dated June 20, 2024 for FY 2020-21 has been received.
Of the Promoters and Directors			
Atishay Jain (Income Tax)	1	0.07	Outstanding Demand for AY 2022-23

E. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding ₹5.00 lakhs as per the latest restated standalone financial statements of the Company, to small scale undertakings and other creditors as material dues for our Company. The trade payables for the sub period ended on March 31, 2024 were ₹ 865.44 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 5.00 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on July 26, 2024. Based on these criteria, details of outstanding dues owed as on March 31, 2024 by our Company on are set out below:

(₹ in lakhs)

Types of creditors	Number of creditors	Amount involved
A. Micro, small and medium enterprises	11	213.24
B. Other Creditors	26	652.20
Total (A+B)	37	865.44
C. Material Creditors	NIL	NIL

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 181 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date

GOVERNMENT AND OTHER APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations 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 no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “**Key Industrial Regulations and Policies**” at page 140 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

Corporate Approvals:

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on July 15, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on July 22, 2024 authorized the Issue.
- c) Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated August 22, 2024.

Approval from the Stock Exchange:

- d) In-principle approval dated [●] from BSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of BSE, issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

- e) The company has entered into an agreement dated January 25, 2024, with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, KFIN Technologies Limited for the dematerialization of its shares.
- f) Similarly, the Company has also entered into an agreement dated July 22, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is KFIN Technologies Limited for the dematerialization of its shares.
- g) The International Securities Identification Number (ISIN) of our Company is INE0T3B01019.

Lenders No Objection Certificate(NOC):

NOC dated February 14, 2024 has been received from SIDBI.

NOC dated February 27, 2024, has been received from HDFC Bank.

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

S. No.	Nature of Registration	CIN/ registration Number	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation	17-07425 of 1993-94	The	Registrar of	May 21,	Valid

S. No.	Nature of Registration	CIN/ registration Number	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
	of 'Eureka Products Private Limited'*		Companies Act, 1956	Companies, Jaipur, Rajasthan	1993	Until Cancelled
2.	Certificate of Incorporation on change of name from 'Eureka Products Private Limited' to 'Eureka Conveyor Beltings Private Limited'*	U25201RJ1993PTC007425 (wrongly mentioned in the COI as U25209RJ1993PTC007425)	The Companies Act, 1956	Registrar of Companies, Jaipur, Rajasthan	July 25, 2005	Valid Until Cancelled
3.	Certificate of Incorporation on change of name from 'Eureka Conveyor Beltings Private Limited' to 'Eureka Conveyor Beltings Limited'	U25201RJ1993PLC007425	The Companies Act, 2013	Central Processing Centre, Gurgaon, Haryana	June 27, 2024	Valid Until Cancelled

III. OTHER APPROVALS

We require various approvals and/ or licences under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1	Permanent Account Number (PAN)	AABCE5819K	Income Tax Act, 1961	Income Tax Department, Government of India	May 21, 1993	Valid until cancelled
2	Tax Deduction Account Number (TAN)	JDHE00304D	Income Tax Act, 1961	Income Tax Department, Government of India	Verified from IT portal	Valid until cancelled
3	Certificate of Registration of Goods and Services Tax (Rajasthan)	08AABCE5819 K1ZF	Rajasthan Goods and Services Tax Act, 2017	Joint Commissioner, Special Circle-I, Kota (Commercial Taxes Department, Govt. of Rajasthan)	June 21, 2021 w.e.f July 01, 2017	Valid until cancelled
4	Permission for Self-Sealing for the product, "Rubber Conveyor Beltings"*	I/117431/2021	Customs Act, 1962	Commissioner of Customs, Jodhpur	February 22, 2021	Valid until cancelled
5	Certificate of Registration of Value Added Tax (VAT)*	08362951919	Rajasthan Sales Tax Act, 1994	Commercial Taxes Department	Issued on January 24, 1996 w.e.f. January 01, 1996	Valid until cancelled
6	Certificate of Registration of Service Tax*	AABCE5819KS T001	Finance Act, 1994	Central Excise Division, Kota	January 21, 2008	Valid until cancelled
7	Central Excise	AABCE5819KX	Central Excise	Assistant	December 21,	Valid until cancelled

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Registration Certificate*	M001	Rules, 2002	Commissioner, Central Excise Division, Kota	2006	

*Approvals/ licenses issued in the former name of the Company, “Eureka Conveyor Beltings Private Limited”

B. BUSINESS RELATED APPROVALS

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Business Registration Number (BRN)- Rajasthan *	8006090033000070	Companies Act, 1956	Department of Statics, Directorate of Economics & Statistics Rajasthan, Jaipur	September 28, 2017	Valid Until Cancelled
2.	Certificate of Importer-Exporter Code (IEC) *	1306006261	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Jaipur	Issued on July 14, 2006 Last modified on January 15, 2024	Valid Until Cancelled
3.	LEI Certificate *	984500GFEDC509FWF714	RBI Guidelines	Reserve Bank of India	Issued on March 23, 2022 Updated on February 07, 2024	March 23, 2025
4.	Udyam Registration Certificate	UDYAM-RJ-24-0001115	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	September, 05, 2020	Valid Until Cancelled
5.	Licence to acquire Rubber *	M240145	Rubber Act, 1947	The Rubber Board, Kerala	Issued on December 05, 2022 w.e.f April 01, 2023	March 31, 2028
Factory at Mukandpura, PO Mandana, Kota						
6.	Registration and Licence to work a Factory (Renewal)*	RJ/35119	Factories Act, 1948	Chief Inspector Factories and Boilers, Jaipur, Rajasthan	January 17, 2024	March 31, 2025
7.	Consent to Operate the Factory *	2022-2023/MUID/12396	Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention	Rajasthan State Pollution Control Board	Issued on January 11, 2023 w.e.f December 29, 2022	November 30, 2032

			and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes (Management & Trans-boundary movement) Rules, 2016			
8.	Sanction of Electricity Load *	SA/PVS/JPD/Pre 2804	Electricity Act, 2003	Jaipur Vidyut Vitran Nigam Limited, Kota, Rajasthan	August 08, 2023	Valid until cancelled
9.	Certificate for Steam Pipeline drawing and erection permission)*	2022/20/STPL/40952	Factories Act, 1948 and Indian Boiler Regulations, 1950	Office of Chief Inspector of Factories and Boilers, Rajasthan, Jaipur	July 06, 2022	One-time
10.	Registration under Legal Metrology (100 ton)*	279885 (LMA-01052024-1a10a)	Legal Metrology Act, 2009	Consumer Affairs Department, Legal Metrology Cell, Rajasthan	May 15, 2024	May 24, 2025
11.	Registration under Legal Metrology (500 kg)	272641 (LMA-08032024-e4615)	Legal Metrology Act, 2009	Consumer Affairs Department, Legal Metrology Cell, Rajasthan	April 06, 2024	April 05, 2024
12.	Certificate of Stability of Factory *	24/03	Factories Act, 1948 read with Factories Rules, 1951	Er. Mahendra Kumar Chauhan, M. Tech (Civil)	April 23, 2024	April 22, 2027
13.	NOC from Fire Department *	LSG/KOTA SOUTH/FIRENOC/2024-25/34053	Rajasthan Municipalities Act, 2009	Fire Officer, Municipal Council, Kota South	June 28, 2024	June 27, 2025
14.	Certificate for Use of a Boiler *	RJ-2956	The Boilers Act, 1923	Rajasthan State Boiler Inspection Department	Issued on December 27, 2023 w.e.f December 21, 2023	November 16, 2024
15.	No Objection Certificate (NOC) for ground water abstraction*	CGWA/NOC/IND/ORIG/2023/19095	Environment (Protection) Act, 1986	Central Ground Water Authority, Department of Water Resources,	Issued on August 28, 2023 w.e.f August 12, 2023	August 11, 2025

				River Development and Ganga Rejuvenation, Ministry of Jal Shakti, Govt. of India		
Factory at F-51, 52 Chambal Industrial Area, Kota						
16.	Registration and Licence to work a Factory (Renewal)*	RJ/ 27341	Factories Act, 1948	Chief Inspector of Factories and Boilers, Jaipur, Rajasthan	Date of Renewal: April 21, 2024	March 31, 2025
17.	Consent to Operate the Factory *	2018-2019/Kota/6712	Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981.	Rajasthan State Pollution Control Board	March 05, 2019 w.e.f January 1, 2019	December 31, 2028
18.	Increase of Sanctioned Electricity Load *	2107310-01620-21	Electricity Act, 2003	Kota Electricity Distribution Limited, Rajasthan	September 10, 2021	Valid until cancelled
19.	Certificate of Stability of Factory	24/02	Factories Act, 1948 read with Factories Rules, 1951	Er. Mahendra Kumar Chauhan, M. Tech (Civil)	April 23, 2024	April 22, 2027
20.	Certificate for Use of a Boiler *	RJ-2724	The Boilers Act, 1923	Rajasthan State Boiler Inspection Department	Issued on November 24, 2023 w.e.f November 14, 2023	November 13, 2024

* Approvals/ licenses issued in the former name of the Company, "Eureka Conveyor Beltings Private Limited"

C. LABOUR LAW RELATED APPROVALS

Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1	Registration for Employees' Provident Funds *	RJ/KTH/PF/11987	Employees' (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	Issued on November 21, 2008 w.e.f. October 01, 2008	Valid until Cancelled
2	ESI Registration *	15000207070000203	Employees' State Insurance Act, 1948	Employee State Insurance Corporation	Updated on May 02, 2019 on conversion from private to public	Valid until Cancelled


Sr. No	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
					company	
3.	LIN Certification *	1-6554-8020-5	Labour Laws	Ministry of Labour and Employment	Verified from Shram Suvidha Portal	Valid until Cancelled
4.	Certificate of Registration for Contract Labour*	CLPE/2020/20/132547	Contract Labour (Regulation and Abolition) Act, 1970 (Principal Employer)	Registering Officer, CLRA, Department of Labour, Government of Rajasthan	August 26, 2020	Valid Until Cancelled

* Approvals/ licenses issued in the former name of the Company, "Eureka Conveyor Beltings Private Limited"

D. QUALITY CERTIFICATIONS

Sr. No	Nature of Registration	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
1.	Certificate for Quality Management System of the Company under ISO 9001:2015 with the following scope: Manufacturer of Rubber Conveyor Beltings*	Magnitude Management Services Pvt. Ltd.	24MEQPX66	February 26, 2024	February 25, 2027

E. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

Sr. No.	Description	Registration Number/Mark/Label	Classes	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry	Status
1.	Registration for Trade Mark for Logo* 	2064677	7	Trade Marks Act, 1999	Trade Marks Registry, Ahmedabad	Issued on June 22, 2012 and renewed on February 16, 2020	December 06, 2030	Registered

I. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

SL No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	eurekabeltings.com	PDR Ltd./303	August 10, 2005 Updated on March 02, 2023	August 10, 2030

IV. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED

Sr. No.	Description	Application Number	Application Date
1.	Application for Fire NOC for Factory at Chambal	LSG/KOTA SOUTH/FIRENOC/2024-25/35238	July 23, 2024

SECTION XI- INFORMATION WITH RESPECT TO GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated July 26, 2024 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 company 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 in any of the last three financial years and stub period as the case of the company as per Restated Financial Statements.

Based on the above, our Company does not have "Group Companies" in terms of the definition provided for above, as on date of this Draft Red Herring Prospectus.

SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue Fresh Issue

This Issue in terms of this Draft Red Herring Prospectus has been authorized by the Board of Directors pursuant to a resolution dated July 15, 2024 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on July 22, 2024 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE SME for using its name in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus pursuant to letter dated [●]. BSE Limited is the Designated Stock Exchange.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Group Company, our Promoter, our Promoter Group, our Directors, Person in control of Promoter or Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

Association with Securities Market

None of our Directors in any manner 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.

Prohibition by RBI

Neither our Company, our subsidiaries, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations And Material Development” beginning on page 190 of the Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

Our Company is eligible for the Issue in accordance with the Regulation 229 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is more than ten crore rupees and upto 25 crores. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE i.e. BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue was 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 51 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the 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.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the BRLM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 51 of this Draft Red Herring Prospectus.

5. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 1956

6. The post offer paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹ 1440.00 Lakh and we are proposing offer of up to 53,28,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Offer Paid up Capital will be ₹ [●] Lakhs which is more than ₹ 10.00 Crores and less than ₹ 25.00 Crore.

7. Net Worth

Our Company satisfies the criteria of Net Worth which given hereunder based on Restated Financial Statement.

(Rs. in lakhs)

Details	March 31, 2024	March 31, 2023	March 31, 2022
Paid-up share capital	60.00	60.00	60.00
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation	4259.88	3017.38	2164.37
	-	-	-
Total	4319.88	3077.38	2224.37

8. Net Tangible Asset

The Net Tangible Assets based on Restated Financial Statement of our company as on March 31, 2024 is ₹ 4315.05 Lakhs which is more than ₹ 300.00 Lakhs.

(Rs. in lakhs)

Details	March 31, 2024	March 31, 2023	March 31, 2022
Net Assets	4319.88	3077.38	2224.37
Less: Intangible Assets	4.83	0	0
Net Tangible Assets	4315.05	3077.38	2224.37

9. Track Record

The company should have a track record of at least 3 years

Our Company was originally incorporated as “Eureka Products Private Limited” vide registration no. 007425 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 21, 1993 issued by Registrar of Companies, Jaipur, Rajasthan. Further, the name of our Company was changed to Eureka Conveyor Beltings Private Limited pursuant to fresh certificate of incorporation issued by Registrar of Companies, Jaipur, Rajasthan on July 25, 2005. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Eureka Conveyor Beltings Private Limited” to “Eureka Conveyor Beltings Limited” vide fresh certificate of incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre.

10. Earnings before Interest, Depreciation and tax

The company/ proprietorship concern/ registered firm/ LLP should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date. Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Operating profit (earnings before interest, depreciation and tax and other income) from operations	2245.51	1315.61	1117.72

11. Leverage Ratio

Leverage ratio of not more than 3:1. Relaxation may be granted to finance companies.

Total Debt / Shareholders Fund as at March 31, 2024 was 0.54 Times.

12. Name change

In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name.

There is no name change within the last one year in our company.

13. Other Requirements

We confirm that;

- i. The Company has not been referred to NCLT under IBC.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- iv. The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
- v. There has been no change in the promoter of the company in preceding one year from date of filing the application to BSE for listing under SME segment.
- vi. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of inprinciple approval.
- vii. None of the Issues managed by Book Running Lead Manager are returned by BSE in last six months from the date of this Draft Red Herring Prospectus.
- viii. The Company has a website: www.eurekabeltings.com
- ix. 100% of the Promoter’s shareholding in the Company is in Dematerialised form.
- x. Our Company shall mandatorily facilitate trading in demat securities and have entered into tripartite agreement with

both the depositories i.e. NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode. The Company's shares bear an ISIN: INE0T3B01019.

Other Disclosures:

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Draft Red Herring Prospectus.
- 2) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "Outstanding Litigations & Material Developments" on page no. 190 of this Draft Red Herring Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter "Outstanding Litigation & Material Developments" on page no. 190 of this Draft Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated July 22, 2024 with NSDL and agreement dated January 25, 2024 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters will be in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals – Not required as the object of Issue is working capital requirement, general corporate purpose and issue expenses, for details, please refer the chapter "Objects of the Issue" on page no. 86 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR

CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Jaipur in terms of sections 26, 32 and 33 of the Companies Act,

Disclaimer from our Company and the Book Running Lead Manager

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the MOU entered between the BRLM (Beeline Capital Advisors Private Limited) and our Company on August 13, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] 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 subsidiary, our Promoter Group, Group Entities, 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, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident

funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Rajasthan.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause 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 Bids 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.

Disclaimer Clause of the SME Platform of BSE Limited

BSE Limited ("BSE") has vide its letter dated [●] given permission to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company.

BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.

v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.

vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”.

Filing

This Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus is being filed with BSE Limited, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

The copy of the Draft Red Herring Prospectus will not have filed with SEBI and SEBI will not issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Ministry of Corporate Affairs, C/6 -7, 1st Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan, India.

Listing

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in -principle approval from BSE by way of its letter dated [●] for listing of equity shares on BSE SME.

BSE 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 SME Platform is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this 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 BSE SME mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

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-

- 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 to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer,

Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company*; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue*, Legal Advisor to the Issue, Underwriter(s) to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

* The consent will be taken while registering the Red Herring Prospectus with Roc.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Sanjay Khandelwal & Associates, Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Experts Opinion

Except for the reports in the section “Financial information of our Company” and “Statement of Possible Tax Benefits” on page 179 and 103 of this Draft Red Herring Prospectus from the Peer Review Auditors and Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Draft Red Herring Prospectus except as disclosed in this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / 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 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company

Except as stated in the chapter titled “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

Except as disclosed in this Draft Red Herring Prospectus, all of our Group/ Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

Option to Subscribe

Equity Shares being offered through the Draft Red Herring Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, 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 Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DPID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

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 constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on July 26, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled "Our Management" beginning on page 155 of this Draft Red Herring Prospectus.

Our Company has appointed Ms. Prerna Jain Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Prerna Jain

F-53, Chambal Industrial Area, Industrial Estate Kota,
Kota, Rajasthan-324003, India.

Tel. No.: +91 9351603479

E-mail: compliance@eurekabeltings.com

Website: www.eurekabeltings.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

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except as disclosed in Chapter titled “General Information” beginning on Page 51 of this Draft Red Herring Prospectus; there are no changes in the Auditors of the company during the last three years.

Capitalization of Reserves or Profits

Except as disclosed under section titled “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

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 Possible Tax Benefits” beginning on page 103 of this Draft Red Herring Prospectus.

Purchase of Property

Other than as disclosed in Section “Business Overview” on page 119 of the Draft Red Herring Prospectus, 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 the Draft Red Herring Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Draft 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 155 And Restated Statement of Related Party Transactions” under chapter titled “Financial Information of our Company” beginning on page 179 of the Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provision of security laws, if any granted by SEBI

As on date of Draft Red Herring Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

Statement on Price Information of Past Issues handled by Beeline Capital Advisors Private Limited:

MAIN BOARD IPO's-NIL									
SME ISSUE									
Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing	
1.	Emmforce Autotech Limited	53.89	98.00	April 30, 2024	186.20	92.14% (+0.03%)	79.85% (+9.20%)	N.A.	
2.	Winsol Engineers Limited	23.36	75.00	May 14, 2024	365.00	380.00% (+4.97%)	N.A.	N.A.	
3.	Piotex Industries Limited	14.47	94.00	May 17, 2024	109.00	-4.26% (+4.16%)	N.A.	N.A.	
4.	Rulka Electricals Limited	26.40	235.00	May 24, 2024	525.00	98.19% (+2.37)	N.A.	N.A.	
5.	Beacon Trusteeship Limited	32.52	60.00	June 04, 2024	90.00	117.67% (+10.98)	N.A.	N.A.	
6.	United Cotfab Limited	36.28	70.00	June 24, 2024	75.00	0.24% (+3.99%)	N.A.	N.A.	
7.	Dindigul Farm Product Limited	34.83	54.00	June 27, 2024	102.60	109.54% (+2.79%)	N.A.	N.A.	
8.	Sati Polycast Limited	17.36	130.00	July 22, 2023	259.00	N.A.	N.A.	N.A.	
9.	V.L.Infraprojects Limited	18.52	42.00	July 30, 2024	79.80	N.A.	N.A.	N.A.	
10.	Ashapura Logistic Limited	52.66	144.00	August 06, 2024	185.00	N.A.	N.A.	N.A.	
11.	Positron Energy Limited	51.21	250.00	August 20, 2024	475	N.A.	N.A.	N.A.	

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus.

Note:

- The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
- “Issue Price” is taken as “Base Price” for calculating % Change in Closing Price of the respective Issues on 30th / 90th/180th Calendar days from listing.
- “Closing Benchmark” on the listing day of respective scripts is taken as “Base Benchmark” for calculating % Change in Closing Benchmark on 30th / 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 5 below.
- In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day, then last trading price has been considered.
- Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information

Track Record of past issues handled by Beeline Capital Advisors Private Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: www.beelinemb.com

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire 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.

SECTION XIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

The present Public Issue of Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 15, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 22, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013. Expenses for the Issue shall be borne our Company in the manner specified in chapter titled “Objects of the Issue” beginning from page 86

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

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 recommended 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. For further details, please refer to “Dividend Policy” and “Description of Equity Shares and Terms of the Articles of Association” beginning from page 178 and 252 of this Draft Red Herring Prospectus.

Face Value and Issue Price and Price Band

The face value of each Equity Share is ₹10 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●], 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 the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- 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 “Description of Equity Shares and terms of the Articles of Association” beginning on page 252 of the Draft Red Herring Prospectus.

Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated July 22, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated January 25, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE 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 and 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.

Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 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.

Withdrawal of the Issue

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

ISSUE PROGRAM

Events	Indicative Dates
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

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

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/ withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked*

(ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock.

(iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock

(iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking.

The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by the UPI Bidders 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/CFD/DIL2/P/CIR/2022/75 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 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and the Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue 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. If there is a delay beyond four days after the issuer becomes liable to pay the amount, the issuer shall pay interest as prescribed under law.

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 accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty). Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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 Exchange.

Application by Eligible NRIs, FPIs or VCFs 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.

As per the extent Guidelines 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.

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 Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 63 of the Draft 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 sub-heading "Description of Equity Shares and terms of the Articles of Association" on page 252 of the Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Allotment of Securities in Dematerialised Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME platform of BSE Limited (BSE SME) for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE 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 ₹ 25 Crore 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 BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or
- If the Paid-Up Capital of our Company is more than ₹ 10.00 Crore and up to ₹ 25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and 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 BSE, 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 BSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 51 of the Draft Red Herring Prospectus.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

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) All Editions of English National Newspaper, [●]; (ii) All editions of Hindi National Newspaper, [●] and (iii) Regional Newspaper, [●] each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Issue 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.

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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager 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 Draft 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.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kota, Rajasthan.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, 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.

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 paid up face value capital is more than Rs. 10 Crores and upto 25 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). 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 212 and 223 of the Draft Red Herring Prospectus.

The Issue comprise of a Public Issue of upto 53,28,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of [●] per Equity Shares (including a premium of [●] per equity share) aggregating to [●] lakhs (“the issue”) by our Company of which [●] Equity Shares of [●] each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of [●] each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute [●] and [●] respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity Shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of offer Size available for allocation	[●]% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
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	Proportionate	Proportionate

		allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bid	Only through the ASBA process.		Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds Rs 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs 2,00,000
Trading Lot	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] 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 (except for Anchor Investors)			

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 “Issue Structure” on page 219 of the Draft Red Herring Prospectus.

- (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.

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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

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 Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after 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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

Bid/Issue Programme:

Events	Indicative Dates
Bid/Issue Opening Date	[•]
Bid/ Issue Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[•]
Credit of Equity Shares to Demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

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

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the 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 BSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, 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 form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

The processing fees for applications made by Retail Individual 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 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism.

Phase III: The commencement period of Phase III is notified. In this phase, the time duration from public issue closure to listing

is reduced to three Working Days.

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 Lead Manager.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue 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 Issue 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 Issue through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

*Excluding Electronic Bid cum Application Form

** Bid cum application for 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 Draft 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 Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Draft 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 BSE (www.bseindia.com) at least one day prior to the Bid/ Issue Opening Date.

Bid cum application for 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 DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft 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 Draft 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 [●], all editions of Hindi national newspaper [●] and Regional Edition of newspaper [●] 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 may be extended, if required, by an additional three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) 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 223 of this Draft 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 Issue Opening Date and Issue Closing Date in the Draft 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 Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft 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 Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms

that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the

Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the 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 Offer, 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 HUF'S

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the

concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of

simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft 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 Draft Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft 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: — “Eureka Conveyor Beltings Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: — “Eureka Conveyor Beltings Limited IPO – Anchor Account- NR”
- c. 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 Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation

to,

- a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
- (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into 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 wherethe 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 Draft 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 Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after 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 Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC

- Our company has entered into an Underwriting Agreement dated [●]
- A copy of Draft Red Herring Prospectus will be registered with the ROC and copy of Red Herring Prospectus/Prospectus will be registered 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 Draft 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 Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the 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 DRHP.

GROUND OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm 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 as specified in the DRHP;
- 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 DRHP;
- 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 DRHP and as per the instructions in the DRHP 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 DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the 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 DRHP. 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.

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Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

b. 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.

c. 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.

d. 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.

e. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹2 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (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 DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be

allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com 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 from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com 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 from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this 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 BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within 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 three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue after the Bid/ Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre - Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, 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 July 22, 2024 between NSDL, the Company and the Registrar to the Issue;
- b) Tripartite Agreement dated January 25, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0T3B01019

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted

basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 XIV - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBIICDR 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.

Sr. No.	Particulars
INTERPRETATION	
	<p>(1) In these regulations—</p> <p>a) “The Company” means Eureka Conveyor Beltings Limited</p> <p>b) “The Act” means the Companies Act, 2013,</p> <p>c) “The seal” means the common seal of the company.</p> <p>d) “Articles” means these articles of association of the Company as altered from time to time.</p> <p>e) “Board of Directors” or “Board” means the collective body of the directors of the Company.</p> <p>f) “The Chairman” means the Chairman of the Board of Directors for the time being or the Company.</p> <p>g) “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.</p> <p>(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.</p>
SHARE CAPITAL AND VARIATION OF RIGHTS	
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.	<p>(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, -</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>(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.</p>
3.	<p>(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.</p> <p>(ii) The provisions of Articles (2) and (3) shall <i>mutatis mutandis</i> apply to debentures of the company.</p>

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.	<p>(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 rule made thereunder.</p> <p>(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.</p> <p>(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.</p>
6.	<p>(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.</p> <p>(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall <i>mutatis mutandis</i> 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.</p>
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 share ranking <i>pari passu</i> 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.	<p>(i) The company shall have a first and paramount lien—</p> <p>(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</p> <p>(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:</p> <p>Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.</p> <p>(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.</p>
10.	<p>The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(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.</p>

11.	<p>(i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.</p> <p>(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>(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.</p>
12.	<p>(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.</p> <p>(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.</p>
CALLS ON SHARES	
13.	<p>(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:</p> <p>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.</p> <p>(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.</p> <p>(iii) A call may be revoked or postponed at the discretion of the Board.</p>
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 instalments.
15.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16.	<p>(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>
17.	<p>(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.</p> <p>(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.</p>
18.	<p>The Board—</p> <p>(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</p> <p>(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.</p>
TRANSFER OF SHARES	

19.	<p>(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.</p> <p>(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.</p>
20.	<p>The Board may, subject to the right of appeal conferred by section 58 decline to register—</p> <p>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>(b) any transfer of shares on which the company has a lien.</p>
21.	<p>The Board may decline to recognize any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(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</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p>
22.	<p>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:</p> <p>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.</p>
TRANSMISSION OF SHARES	
23.	<p>(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 shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.</p> <p>(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.</p>
24.	<p>(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—</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>(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.</p>
25.	<p>2(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.</p> <p>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(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.</p>

26.	<p>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:</p> <p>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 complied with.</p>
FORFEITURE OF SHARES	
27.	<p>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.</p>
28.	<p>The notice aforesaid shall—</p> <p>(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</p> <p>(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.</p>
29.	<p>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.</p>
30.	<p>(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>
31.	<p>(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.</p> <p>(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.</p>
32.	<p>(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;</p> <p>(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 favor of the person to whom the share is sold or disposed of;</p> <p>(iii) The transferee shall thereupon be registered as the holder of the share; and</p> <p>(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.</p>
33.	<p>The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
ALTERATION OF CAPITAL	
34.	<p>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.</p>
35.	<p>Subject to the provisions of section 61, the company may, by ordinary resolution, —</p> <p>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p>

	<p>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(d) 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.</p>
36.	<p>Where shares are converted into stock, —</p> <p>(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</p> <p>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.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p>
37.	<p>The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, —</p> <p>(a) its share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account.</p>
CAPITALIZATION OF PROFITS	
38.	<p>(i) The company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) 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.</p> <p>(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</p> <p>(D) 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;</p> <p>(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p>

39.	<p>(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and</p> <p>b) generally, do all acts and things required to give effect thereto.</p> <p>(ii) The Board shall have power—</p> <p>(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</p> <p>(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;</p> <p>(iii) Any agreement made under such authority shall be effective and binding on such members.</p>
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.	<p>(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>(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.</p>
PROCEEDINGS AT GENERAL MEETINGS	
43.	<p>(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.</p> <p>(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.</p>
44.	The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the company
45.	If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the directors present shall elect one of their members to be Chairman of the meeting.
46.	If at any meeting no director is willing to act as Chairman 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 Chairman of the meeting.
ADJOURNMENT OF MEETING	
47.	<p>(i) The Chairman 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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>
VOTING RIGHTS	
48.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares -</p> <p>(a) on a show of hands, every member present in person shall have one vote; and</p>

	(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50.	(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54.	(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. (ii) Any such objection made in due time shall be referred to the Chairman 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.
59.	(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the company.
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.	(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
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 Chairman 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 chairman of its meetings and determine the period for which he is to hold office. (ii) If no such Chairman is elected, or if at any meeting the Chairman 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 Chairman 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 chairman of its meetings. (ii) If no such Chairman is elected, or if at any meeting the Chairman 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 Chairman 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 Chairman 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;

	(i) 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.	No Common Seal is required as per the provisions of Companies Act, 2013.
DIVIDENDS AND RESERVE	
77.	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79.	(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80.	(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
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—

	<p>(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.</p> <p>(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.</p> <p>(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.</p>
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 favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XV – 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 Draft 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 Draft Red Herring Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date and online at website of company www.eurekabeltings.com

Material Contracts

1. Memorandum of Understanding dated August 13, 2024 between our Company Book Running Lead Manager to the Issue.
2. Agreement dated August 12, 2024, 2024 executed between our Company and the Registrar to the Issue (Kfin Technologies Limited)
3. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriters.
6. Tripartite Agreement dated January 25, 2024 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated July 22, 2024 among NSDL, the Company and the Registrar to the Issue.
8. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Syndicate Member.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated May 21, 1993 issued by the Registrar of Companies, Jaipur.
3. Fresh Certificate of Incorporation dated July 25, 2005 issued by Registrar of Companies, Jaipur, Rajasthan pursuant to name change.
4. Fresh Certificate of Incorporation dated June 27, 2024 issued by the Registrar of Companies, Central Processing Centre consequent upon Conversion of the Company to Public Company.
5. Copy of the Board Resolution dated July 15, 2024 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated July 22, 2024 authorizing the Issue and other related matters.
7. Copies of Standalone Audited Financial Statements of our Company for the years ended March 31, 2024, 2023 & 2022.
8. Peer Review Auditors Report dated August 13, 2024 on Restated Standalone Financial Statements of our Company for the years ended March 31, 2024, 2023 & 2022.
9. Copy of the Statement of Tax Benefits dated August 13, 2024 from the Peer Review Auditor.
10. Search Report issued by, Practicing Company Secretary, Devesh Maheshwari & Associates dated August 15, 2024.
11. Certification from Devesh Maheshwari & Associates, Practicing Company Secretary dated August 15, 2024, regarding eligibility of Independent Director under Section 149(6) of Companies Act, 2013.
12. Certificate from M/s. Sanjay Khandelwal & Associates, Chartered Accountants, Kota, dated August 13, 2024 regarding Key Performance Indicators.
13. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
14. Board Resolution dated August 22, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
15. Due Diligence Certificate from Book Running Lead Manager dated August 22, 2024 filed with BSE and [●] filed with SEBI.
16. Approval from BSE vide letter dated [●] to use the name of BSE in the Prospectus for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Red Herring Prospectus. No statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mr. Raj Kumar Khubchandani
Chairman and Whole-Time Director
DIN: 00954559

Mr. Bharat Kumar Khubchandani
Managing Director
DIN: 00954576

Mr. Sumit Khubchandani
Whole-Time Director
DIN:00954610

Mr. Nitin Khubchandani
Whole-Time Director
DIN:01374788

Mrs. Bhakti Khubchandani
Whole-Time Director
DIN:03612379

Mr. Puneet Khubchandani
Whole-Time Director
DIN: 03612380

Mr. Atishay Jain
Independent Director
DIN: 10641809

Mr. Atul Sobti
Independent Director
DIN: 06715578

Mr. Suresh Kishnani
Independent Director
DIN: 06715578

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY: -

Mr. Sumit Khubchandani
Chief Financial Officer

Ms. Prerna Jain
Company Secretary and Compliance Officer

Date – August 22, 2024

Place – Kota, Rajasthan