



Draft Red Herring Prospectus

Dated: September 16, 2024

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

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

100% Book Built Issue



(Please scan this QR Code to  
View this Draft Red Herring Prospectus)



**MALPANI PIPES AND FITTINGS LIMITED**

CIN: U25209MP2017PLC042337

Incorporated on February 03, 2017 at Ratlam, Madhya Pradesh.

REGISTER OFFICE		CONTACT PERSON	
65-A, Sector B Industrial Area, Ratlam- 457001, Madhya Pradesh, India		Hariom Patidar Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.	WEBSITE	
<a href="mailto:cs@malpanipipes.com">cs@malpanipipes.com</a>	Tel No.: 07412-260707	<a href="http://www.malpanipipes.com">www.malpanipipes.com</a>	
OUR PROMOTERS OF THE COMPANY			
Rohit Malpani, Harsh Malpani and Mohit Malpani			
Type	Fresh Issue Size (₹ in Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & RII	
Fresh Issue	Upto 30,00,000 Equity Shares Aggregating to ₹[●] Lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is more than ₹ 10.00 Crores and up to ₹ 25.00 Crore.	
RISKS IN RELATION TO THE FIRST ISSUE			
This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity. The floor price (is determined by our company in consultation with the Book Running lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page 74 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.			
GENERAL RISKS			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 21 of this Draft Red Herring Prospectus.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the 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 Principal Approval Letter dated [●] from BSE Limited (BSE) for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").			
BOOK RUNNING LEAD MANAGER TO THE OFFER		REGISTRAR TO THE ISSUE	
	<b>INTERACTIVE FINANCIAL SERVICES LIMITED</b> Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India Tel No.: 079 4908 8019 (M) +91-9898055647 Website: <a href="http://www.ifinservices.in">www.ifinservices.in</a> Email: <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> Investor Grievance Email: <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> Contact Person: Pradip Sandhir SEBI Reg. No.: INM000012856		<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel No.: 022-62638200 Fax: 022-62638299 Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> E-Mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Investor Grievance Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Vinayak Morbale SEBI Reg. No.: INR000001385
OFFER PROGRAMME			
ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]	BID/ OFFER OPENS ON: [●]	BID/ OFFER CLOSE ON**: [●]	

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

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



**MALPANI PIPES AND FITTINGS LIMITED**  
**CIN: U25209MP2017PLC042337**

Our Company was incorporated as “Malpani Pipes And Fittings Private Limited” on February 3, 2017 under the provisions of Companies Act, 2013 with the Registrar of Companies, Gwalior bearing Corporate Identification Number U25209MP2017PTC042337. Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on May 13, 2024 and a fresh certificate of incorporation consequent to conversion was issued on July 29, 2024 by the Registrar of Companies, Gwalior. The Corporate Identification Number of our Company is U25209MP2017PLC042337.

**Registered office:** 65-A, Sector B Industrial Area, Ratlam, Madhya Pradesh, India, 457001  
**Tel No.:** 07412-260707; **Website:** www.malpanipipes.com; **E-Mail:** pipes@malpanipipes.com  
**Contact Person:** Hariom Patidar, Company Secretary and Compliance Officer

**PROMOTERS OF THE COMPANY: ROHIT MALPANI, HARSH MALPANI AND MOHIT MALPANI**

**THE ISSUE**

**INITIAL PUBLIC ISSUE OF UPTO 30,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF MALPANI PIPES AND FITTINGS LIMITED (“MPFL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] (“THE ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO [●] LACS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) WHERE OUR REGISTERED OFFICE IS LOCATED, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED (“BSE SME”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein [●] (not more than 50 % of the Net Issue) shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, [●] (not less than 15% of the Net Issue) shall be available for allocation on a proportionate basis to Non-Institutional Bidders and [●] (not less than 35% of the Net Issue) shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 235 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 235 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on page 235 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity shares. The floor price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page 74 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.

The face value of the Equity Shares is ₹10.00 The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 74 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 21 of this Draft Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the 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 Principal Approval Letter dated [●] from BSE Limited (BSE) for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).

**BOOK RUNNING LEAD MANAGER TO THE OFFER**



**INTERACTIVE FINANCIAL SERVICES LIMITED**  
**Address:** Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India  
**Tel No.:** 079 4908 8019  
**(M)** +91-9898055647  
**Website:** [www.ifinservices.in](http://www.ifinservices.in)  
**Email:** [mbd@ifinservices.in](mailto:mbd@ifinservices.in)  
**Investor Grievance Email:** [info@ifinservices.in](mailto:info@ifinservices.in)  
**Contact Person:** Pradip Sandhir  
**SEBI Reg. No.:** INM000012856

**REGISTRAR TO THE ISSUE**



**BIGSHARE SERVICES PRIVATE LIMITED**  
**Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093  
**Tel No.:** 022-62638200  
**Fax:** 022-62638299  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**E-Mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Vinayak Morbale  
**SEBI Reg. No.:** INR000001385

**OFFER PROGRAMME**

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

**BID/ OFFER OPENS ON: [●]**

**BID/ OFFER CLOSE ON\*\*: [●]**

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

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page numbers 81, 142, 196 and 273 respectively, shall have the meanings ascribed to such terms in the respective sections.

### GENERAL TERMS

Term	Description
“MPFL”, “MALPANI”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Malpani Pipes and Fittings Limited, a Public limited company incorporated under the Companies Act, 2013 and having Registered Office at 65-A, Sector B Industrial Area, Ratlam, Madhya Pradesh-457001, India.
Promoters	Rohit Malpani, Mohit Malpani and Harsh Malpani
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.
“you”, “your” or “yours”	Prospective Investors in this Issue

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Auditors of the Company	The Statutory auditors of our Company, being M/s. KARMA & CO. LLP, Chartered Accountants.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 124 of this Draft Red Herring Prospectus.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof.
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Hariom Patidar.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Harsh Malpani.
Act or Companies Act	The Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996 as amended from time to time
Director(s)	Director(s) of Malpani Pipes and Fittings Limited unless otherwise specified
Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company



ED	Executive Director
Fresh Issue	The fresh issue of upto 30,00,000 (Thirty lakhs) Equity Shares of Face Value of Rs. 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs to be issued by our Company as part of the Offer, in terms of the Draft Red Herring Prospectus.
Group Companies	Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “Financial Information of Our Group Companies” on page 207 of this Draft Red Herring Prospectus.
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled “Our Management” beginning on page 124 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number is <b>INE0YON01014</b>
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 124 of this Draft Red Herring Prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on August 24, 2024 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled “Our Management” on page 124 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company, located at 65-A, Sector B Industrial Area, Ratlam, Madhya Pradesh-457001, India
ROC/Registrar of Companies	Registrar of Companies, Gwalior.
Restated Financial Statements	The restated audited financial statements of our Company for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled “Restated Financial Statements” on page 142 of this Draft Red Herring Prospectus.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s KARMA & Co. LLP, Chartered Accountants.
PLC	Public Limited Company
PTC	Private Limited Company
Stakeholder’s Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholder’s Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “Our Management” on page 124 of this Draft Red Herring Prospectus.
WTD	Whole Time Director

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of

	the Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Lot	[●] Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 260 of this Draft Red Herring Prospectus
Bankers to our Company	ICICI BANK LTD, SIDBI, YES BANK
Banker to the Issue / Refund Banker / Public Issue Bank	[●]
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Interactive Financial Services Limited.
Business Day	Any day on which commercial banks are open for the business.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number of the Applicant 's Beneficiary Account
Collection Centers	Broker Centers notified by Stock Exchange where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the BSE.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no.GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act,1996
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact

	details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
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 RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant sand a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Recognized Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited.
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated [●] filed with the SME Platform of BSE, prepared and issued by our Company in accordance with SEBI (ICDR) Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Book Running Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being [●]
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor /FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the

	chapter titled “Issue Procedure” on page 235 of this Draft Red Herring Prospectus
Issue Agreement	The agreement dated September 03, 2024 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Opening Date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date (inclusive of such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of upto 30,00,000 (Thirty lakhs) Equity Shares of Face Value of ₹ 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs by Malpani Pipes and fittings Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being Rs. [●].
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue.
KPI	Key Performance Indicators
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE (BSE SME).
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹10.00/- each fully paid-up for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs for the Market Maker in this Issue
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of Rs. 10 each at Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs by Malpani pipes and fittings Limited.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled “Objects of the Issue” on page 67 of this Draft Red Herring Prospectus
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian Banks Association (IBA)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require.
Prospectus	The Prospectus dated [●] issued in accordance with Companies Act filed with the SME Platform of BSE under SEBI (ICDR) Regulations 2018.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where

	the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated September 03, 2024 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidder scan revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SME Platform of BSE	The SME platform of BSE, approved by SEBI as SME Platform of BSE for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●].
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS/Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28,



	2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI.
UPI Mandate Request	A request (intimating the RIB (Retail Individual Bidder) by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Underwriter	Underwriter to the issue is Interactive Financial Services Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated [●].
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business. 1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business. 2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

## TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
ABD	Area Based Development
ATNW	Aggregate total Network
AWCs	Automated Waste Collection System
BIS	Bureau of Indian Standards
BOQ	Bill Of Quantity
CAGR	Compounded Annual Growth Rate
CEIL	Certification Engineers International Limited
CHC	Community Health Center
CIPET	Central Institute of Petrochemicals Engineering & Technology
D.G. Sets	Diesel Generating Set
EMD	Earnest Money Deposit
EPC	Engineering, Procurement and Construction
GP building	Government Property building
HDPE	High-Density Polyethylene
HSC	House Services Connection
IS	Indian Standard
IWTs	Inland Waterway Terminals
JJM	Jal Jeevan Mission
KG	Kilogram

KVA	Kilovolt-Amperes
LLDPE	Linear Low-Density Polyethylene
M.T.P.A	Million Tonnes Per Annum
MDPE	Medium Density Polyethylene
MM	Millimetre
NHAI	National Highway Authority of India
PHC	Primary Health Centre
PN	Pressure Nominal
PVC	Poly Vinyl Chloride
UIDF	Urban Infrastructure Development Fund
UV	Ultraviolet
WSP	Water Supply Projects

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
Bn	Billion
BG	Bank Guarantee
BHIM	Bharat Interface for Money
BSE	BSE Limited
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director's Identification Number
DP/Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
EBIT	Earnings Before Interest and Tax
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
FDI	Foreign Direct Investment
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time

FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/GOI	Government of India
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
I.T. Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs. / Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
MSMEs	Micro, Small & Medium Enterprises
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum

P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
RBI	Reserve Bank of India
R & D	Research and Development
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SAT	Security Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SIDBI	Small Industries Development Bank of India
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SENSEX	Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
SME Exchange	SME Platform of BSE SME.
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
Tn	Trillion
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
YoY	Year on Year

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

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

### Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our audited financial statements for the year ended on March 31 2024, March 31 2023 and March 31 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Red Herring Prospectus, and set out in the section titled ‘Restated Financial Information’ beginning on page 142 of this Draft Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the sections / chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page 21, 91 and 180 respectively of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### Industry and Market Data

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

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

### Currency and units of presentation

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

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

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



## FORWARD LOOKING STATEMENTS

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

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 21, 91 and 180 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SUMMARY OF ISSUE DOCUMENTS

### SUMMARY OF BUSINESS

Malpani Pipes & Fittings Limited, an ISO 9001:2015 certified company based in Ratlam, Madhya Pradesh, manufactures a range of high-grade plastic pipes. Our products include High-Density Polyethylene (HDPE) Pipes, Medium-Density Polyethylene (MDPE) Pipes, and Linear Low-Density Polyethylene (LLDPE) Pipes, all



marketed under the brand name **volstar**. The company is also engaged in the trading of granules and PVC pipes, as well as the sale of services.

We have manufacturing plant located in central India i.e. Ratlam, Madhya Pradesh. Our plant is well equipped with essential machinery, infrastructure, and an in-house testing facility, which ensures that our product conforms to the requisite standards.

We have a dedicated in-house testing facility to ensure our products adhere to stringent quality standards. Additionally, in case of supply to any government project or under some welfare policy to farmers, we are required to get our products test from third part laboratories. These agencies include the Central Institute of Petrochemicals Engineering & Technology (CIPET), SGS, Bureau Veritas, Dr. Amin Controllers Pvt. Ltd., Rail India Technical and Economic Service, and Certification Engineers International Limited (CEIL). This verification process is a mandatory requirement set by the government.

Our pipes are engineered to meet a wide range of applications, including irrigation, potable water supply, sewerage, and drainage systems. They are also well-suited for boreholes and tube wells for underground water extraction. Furthermore, our pipes support infrastructure projects such as the installation of long-distance electrical cables and optical fibers.

For more details, please refer chapter titled “Business Overview” on page 91 of this Draft Red Herring Prospectus.

### SUMMARY OF INDUSTRY

The Indian plastic industry is one of the leading sectors in the country’s economy. The history of the plastic industry in India dates back to 1957 with the production of polystyrene. Since then, the industry has made substantial progress and has grown rapidly. The industry is present across the country and has more than 2,500 exporters. It employs more than 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises. India manufactures various products such as plastics and linoleum, houseware products, cordage, fishnets, floor coverings, medical items, packaging items, plastic films, pipes, raw materials, etc. The country majorly exports plastic raw materials, films, sheets, woven sacks, fabrics, and tarpaulin. The Government of India intends to take the plastic industry from a current level of Rs. 3 lakh crores (US\$ 37.8 billion) of economic activity to Rs. 10 lakh crores (US\$ 126 billion) in 4-5 years.

Irrigation is main consumer of fresh water and more than 90 per cent of groundwater draft in India. Growing population coupled with food security has put extra pressure on water resources. Country has reached a situation where the demand of water from various sector of economy is rapidly increasing while the supply of fresh water constant. Additionally, water overuse harms the environment by increased salinity, nutrient pollution, and the degradation and loss of flood plains and wetlands. Owing to poor water resource management system and climate change India faces a persistent water shortage.

On July 1, 2015, the Pradhan Mantri Krishi Sinchayee Yojana (Pradhan Mantri Krishi Sinchai Yojana) was launched to expand cultivated area with assured irrigation and reduce wastage of water in the country. The scheme focuses on creating sources-protective irrigation by harnessing rainwater at a micro level through ‘Jal Sanchay’ and ‘Jal Sinchan’. Micro irrigation is also incentivised through subsidies to ensure ‘Per Drop More Crop’.

To further improve the ‘quality of life’ and enhanced ‘ease of living’ in rural areas by making a provision of assured tap water supply to every rural household in the country by 2024, Hon’ble Prime Minister announced Jal Jeevan Mission (JJM) – Har Ghar Jal on 15th August, 2019. Since then, JJM is being implemented in partnership with States.

Manufacturing is emerging as an integral pillar in the country’s economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian

manufacturing industry generated 16-17% of India’s GDP pre-pandemic and is projected to be one of the fastest growing sectors.

For more details, please refer chapter titled “Industry Overview” on page 83 of this Draft Red Herring Prospectus.

## PROMOTERS

The Promoters of our company are Rohit Malpani, Harsh Malpani and Mohit Malpani.

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

## ISSUE SIZE

Initial Public Issue Of Upto 30,00,000 Equity Shares Of Face Value Of ₹10/- Each Of Malpani Pipes And Fittings Limited (“MPFL” Or The “Company” Or The “Issuer”) For Cash At A Price Of ₹ [●] Per Equity Share Including A Share Premium Of ₹ [●] Per Equity Share (The “Issue Price”) Aggregating To ₹ [●] (“The Issue”), Of Which [●] Equity Shares Of Face Value Of ₹10/- Each For Cash At A Price Of ₹ [●] Per Equity Share Including A Share Premium Of ₹ [●] Per Equity Share Aggregating To ₹ [●] Will Be Reserved For Subscription By Market Maker To The Issue (The “Market Maker Reservation Portion”). The Issue Less the Market Maker Reservation Portion I.E., Net Issue Of [●] Equity Shares of Face Value Of ₹10/- Each at A Price Of ₹ [●] Per Equity Share Aggregating To [●] Lacs Is Herein After Referred to As The “Net Issue”. The Issue and The Net Issue Will Constitute [●] % And [●] % Respectively of The Post Issue Paid Up Equity Share Capital of Our Company.

## OBJECT OF THE ISSUE

1. Our Company proposes to utilize the Net Proceeds from the issue towards the following objects (“Objects of the Issue”)
  - Capital Expenditure for purchase of machineries.
2. Repayment of Debt
3. General Corporate Purpose,
4. Meeting Public Issue Expenses.

(Collectively referred to as “Objects”)

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

## Net Proceeds

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

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

## Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for plant and machineries	350.00
2.	Repayment of Debt	1700.00
3.	General corporate purposes	[●]
<b>Total utilization of net proceeds</b>		[●]

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

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
<b>(i) Promoters</b>					
1.	Harsh Malpani	16,34,750	20.70	16,34,750	[●]
2.	Mohit Malpani	16,62,375	21.05	16,62,375	[●]
3.	Rohit Malpani	14,31,625	18.13	14,31,625	[●]
	<b>TOTAL (A)</b>	<b>47,28,750</b>	<b>59.88</b>	<b>47,28,750</b>	<b>30.90</b>
<b>(ii) Promoter Group</b>					
4.	Deepak Malpani Huf	1,95,000	2.47	1,95,000	[●]
5.	Hirendra Malpani Huf	1,95,000	2.47	1,95,000	[●]
6.	Sonal Malpani	4,90,750	6.21	4,90,750	[●]
7.	Mohit Malpani Huf	97,500	1.23	97,500	[●]
8.	Rohit Malpani Huf	1,30,000	1.65	1,30,000	[●]
9.	Sunita Malpani	1,88,500	2.39	1,88,500	[●]
10.	Hemlata Malpani	3,15,250	3.99	3,15,250	[●]
11.	Deepak Malpani	3,59,125	4.55	3,59,125	[●]
12.	Hirendra Malpani	4,87,500	6.17	4,87,500	[●]
13.	Harshita Malpani	4,17,625	5.29	4,17,625	[●]
14.	Rini Malpani	2,92,500	3.70	2,92,500	[●]
	<b>TOTAL (B)</b>	<b>31,68,750</b>	<b>40.12</b>	<b>31,68,750</b>	[●]
<b>(iii) Public</b>					
	IPO	-	-	Upto 30,00,000	[●]
<b>(iv)</b>	<b>TOTAL (C)</b>	<b>31,68,750</b>	<b>40.12</b>	[●]	[●]
<b>(v)</b>	<b>TOTAL (A+B+C)</b>	<b>78,97,500</b>	<b>100.00</b>	[●]	[●]

**SUMMARY OF FINANCIAL INFORMATION**

Particulars	For the year ended on March 31, 2024	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Share Capital (₹ in Lakhs)	243.00	193.00	193.00
Net worth (₹ in Lakhs)	1,477.47	583.48	376.30
Revenue from Operation (₹ in Lakhs)	14,096.18	8,245.09	3,490.58
Other Income (₹ in Lakhs)	20.05	11.67	3.09
Profit after Tax (₹ in Lakhs)	739.72	208.04	89.06
Earnings per share (Basic & diluted) (₹)	37.17	10.78	4.61
Net Asset Value per Equity Share (Basic & diluted)	60.80	30.23	19.50
Total borrowings (₹ in Lakhs)	3028.87	1959.26	897.61

**QUALIFICATIONS OF AUDITORS**

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

**SUMMARY OF OUTSTANDING LITIGATIONS**

(₹ in lacs)

Particular	Nature of cases	No of outstanding cases	Amount involved
<b>Litigation Against Company</b>	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
	Direct Tax	Nil	Nil
	Indirect Tax	Nil	Nil

<b>Litigations Filed by Our Company</b>	Criminal Litigation	<b>2</b>	<b>9.20</b>
	Civil Litigation	<b>Nil</b>	<b>Nil</b>
<b>Litigation Against the Director/Promoter of Our Company</b>	Criminal Litigation	<b>Nil</b>	<b>Nil</b>
	Civil Litigation	<b>Nil</b>	<b>Nil</b>
	Direct Tax	<b>Nil</b>	<b>Nil</b>
<b>Litigation Filed by The Director/Promoter of Our Company</b>	Criminal Litigation		
	Civil Litigation	<b>2</b>	<b>24.31</b>
<b>Litigation Against Group Companies</b>	Criminal Litigation	<b>Nil</b>	<b>Nil</b>
	Civil Litigation	<b>Nil</b>	<b>Nil</b>
	Criminal Litigation	<b>Nil</b>	<b>Nil</b>
	Civil Litigation	<b>Nil</b>	<b>Nil</b>
<b>Litigation Filed By Group Companies</b>	Criminal Litigation	<b>Nil</b>	<b>Nil</b>
	Civil Litigation	<b>Nil</b>	<b>Nil</b>

For more details, please refer chapter titled “Outstanding Litigation and Material Developments” on page 196 of this Draft Red Herring Prospectus

### MATERIAL DEVELOPMENTS

After the date of last financial period i.e., March 31, 2024 there is no any significant development occurred in the Company except mentioned below:

1. Company has Converted from Private Limited to Limited on July 29, 2024.
2. The company has increased its authorized share capital from ₹7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each to ₹12,00,00,000/- consisting of 1,20,00,000 Equity shares of Rs. 10/- each on April 25, 2024.
3. Company has allotted 54,67,500 Equity Shares as bonus shares on August 31, 2024.
4. Oxyzo Financial Services Limited has sanctioned loan of Rs. 1500.00 Lakhs to the company on June 28, 2024
5. ICICI Bank sanctioned OD facility of ₹60.00 Lakhs for Temporary period Upto September 27, 2024 on August 28, 2024.
6. The company has received a Purchase Order totaling of Rs. 11371.21 Lakhs after March 31, 2024. Details of this order are mentioned in Business Overview section on page of this Draft Red Herring Prospectus.
7. Company has Purchased Extrusion Line 80/75 MM Screw High Speed HDPE & MDPE Pipe Machinery, Co-Extruder and Jockey Extruder amounting to ₹157.25 Lakhs dated May 30, 2024.

For more details, please refer chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 180 of this Draft Red Herring Prospectus

### RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 21 of this Draft Red Herring Prospectus.

### SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

(₹ in Lacs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Contingent liabilities in respect of:			
Claims against the company not acknowledged as debts (TDS Defaults) *	6.26	5.58	-
Guarantees given on Behalf of the Company			
Guarantees given on Behalf of the Subsidiary Company	-	-	-
Other moneys for which the company is contingently liable	-	-	-
Commitments (to the extent not provided for)	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-



Other commitments**	23.00	-	-
<b>Total</b>	<b>29.26</b>	<b>5.58</b>	-

**Note:**

\*\* As on 31.03.2024 company has issued bank guarantee of Rs. 23,00,000 out of total sanction limit of 30,00,000 from ICICI Bank

\* As of 31.03.2024, Balance of Claims against the company not acknowledged as debts (TDS Defaults) is Rs. 626370

For detailed information of Contingent Liabilities of our Company, please refer chapter titled “Restated Financial Statement” beginning on page no. 142 of this Draft Red Herring Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

**(A) List of Related parties**

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Rohit Malpani	Key Managerial Person
2	Mohit Malpani	Key Managerial Person
3	Harsh Malpani	Key Managerial Person
4	Sonal Malpani	Relatives of KMP
5	Hemlata Malpani	Relatives of KMP
6	Sunita Malpani	Relatives of KMP
7	Hirendra Malpani	Relatives of KMP
8	Deepak Malpani	Relatives of KMP
9	Harshita Malpani	Relatives of KMP
10	Rini Malpani	Relatives of KMP
11	Super Cube Enterprise	Entity in which relatives of KMP are interested
12	Malpani Plastics PVT LTD	Entity in which relatives of KMP are interested
13	Malpani Pipe Industries	Entity in which relatives of KMP are interested
14	Tirupati Industries	Entity in which relatives of KMP are interested
15	WM Industries Pvt. Ltd.	Entity in which relatives of KMP are interested
16	Terex Industries Pvt. Ltd.	Entity in which relatives of KMP are interested

**(B) Transaction with related Parties: -**

**(Rs. In Lakhs)**

SI No.	Particulars	For the financial year/Period ended		
		2023-24	2022-23	2021-22
<b>1</b>	<b>Remuneration Paid to Directors</b>			
i)	Rohit Malpani	12.84	18.00	12.00
ii)	Mohit Malpani	12.84	18.00	12.00
iii)	Harsh Malpani	12.84	18.00	12.00
<b>2</b>	<b>Salary paid to relative of director</b>			
i)	Sonal Malpani	12.84	18.00	12.00
ii)	Hemlata Malpani	12.96	18.00	12.00
iii)	Sunita Malpani	12.84	18.00	12.00
iv)	Harshita Malpani	12.96	18.00	12.00
v)	Rini Malpani	12.96	18.00	12.00
<b>3</b>	<b>Interest on Unsecured loan</b>			
i)	Rohit Malpani	0.79	0.54	-
ii)	Mohit Malpani	0.49	0.54	-
iii)	Harsh Malpani	2.80	0.81	-

iv)	Sonal Malpani	0.49	0.54	-
v)	Hemlata Malpani	0.99	0.51	-
vi)	Sunita Malpani	0.49	0.54	-
vii)	Hirendra Malpani	9.50	10.14	-
viii)	Deepak Malpani	10.07	8.33	-
ix)	Harshita Malpani	2.06	1.34	-
x)	Rini Malpani	0.99	1.08	-
xi)	Tirupati Industries	14.07	6.12	1.59
xii)	WM Industries pvt. Ltd.	3.82	-	-
<b>4</b>	<b>Sales of Goods</b>			
i)	Malpani Plastics PVT LTD	8.05	0.55	46.87
ii)	Tirupati Industries			43.52
<b>5</b>	<b>Purchase of Goods</b>			
i)	Super Cube Enterprise	87.49	733.51	-
ii)	Malpani Pipe Industries	85.86	218.64	386.30
iii)	Tirupati Industries	87.36	1.74	19.60
iv)	Terex Industries Pvt. Ltd.	171.44	-	-
<b>6</b>	<b>Loan Taken by the Company</b>			
i)	Harsh Malpani	54.50	8.50	5.00
ii)	Rohit Malpani	36.50	-	5.00
iii)	Mohit Malpani	25.00	-	5.00
iv)	WM Industries pvt. Ltd.	236.00	55.00	-
v)	Harshita Malpani	36.75	9.50	10.00
vi)	Hemlata Malpani	42.00	1.00	32.50
vii)	Rini Malpani	26.50	-	10.00
viii)	Sonal Malpani	19.50	-	5.00
ix)	Sunita Malpani	18.00	-	5.00
x)	Tirupati Industries	117.50	120.00	124.59
xi)	Deepak Malpani	-	85.00	30.00
xii)	Hirendra Malpani	-	16.50	90.00
<b>7</b>	<b>Loan Paid back by the Company</b>			
i)	Harsh Malpani	21.00	-	0.00
ii)	Rohit Malpani	1.20	-	
iii)	Mohit Malpani	0.93	-	
iv)	WM Industries pvt. Ltd.	294.44	-	
v)	Harshita Malpani	2.56	-	
vi)	Hemlata Malpani	1.34	-	28.50
vii)	Rini Malpani	1.86	-	
viii)	Sonal Malpani	0.93	-	
ix)	Sunita Malpani	0.93	-	
x)	Tirupati Industries	201.67	-	124.59
xi)	Deepak Malpani	11.55	10.00	
xii)	Hirendra Malpani	60.67	-	

**(C) Balance Outstanding**

<b>1</b>	<b>Loan Payable Balances</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
i)	Harsh Malpani	50.25	14.23	5.00
ii)	Rohit Malpani	41.50	5.49	5.00
iii)	Mohit Malpani	30.00	5.49	5.00
iv)	Deepak Malpani	110.00	112.49	30.00
v)	Harshita Malpani	56.75	20.70	10.00
vi)	Hemlata Malpani	47.00	5.46	4.00
vii)	Hirendra Malpani	63.50	115.62	90.00
viii)	Rini Malpani	36.50	10.97	10.00
ix)	Sonal Malpani	24.50	5.49	5.00

x)	Sunita Malpani	23.00	5.49	5.00
xi)	Tirupati Industries	54.00	125.51	0.00
xii)	WM Industries pvt. Ltd.	0.00	55.00	0.00
<b>2</b>	<b>Remuneration Payables</b>			
ii)	Harsh Malpani		1.41	-
iv)	Mohit Malpani		14.91	-
vi)	Rohit Malpani		10.91	-
<b>3</b>	<b>Salary Payables</b>			
i)	Harshita Malpani	-	14.91	-
ii)	Hemlata Malpani		5.41	-
iii)	Rini Malpani		14.91	-
iv)	Sonal Malpani		8.91	-
v)	Sunita Malpani		5.91	-

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

### FINANCING ARRANGEMENTS

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

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

Sr. No	Name of Promoter	No of Equity Shares acquired in the last one year from the date of his Draft Red Herring Prospectus	Weighted Average Cost of Acquisition (in Rs)
1.	Harsh Malpani	13,69,750	1.44
2.	Mohit Malpani	13,97,375	6.48
3.	Rohit Malpani	13,46,625	3.83

### AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Red Herring Prospectus are:

Sr. No	Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition in (in Rs)
1.	Harsh Malpani	16,34,750	3.12
2.	Mohit Malpani	16,62,375	7.37
3.	Rohit Malpani	14,31,625	4.35

### DETAILS OF PRE-ISSUE PLACEMENT

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

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

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

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Promoter/ Promoter Group
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August 31, 2024	54,67,500	10	NA	Consideration other than cash	Bonus Issue in the ratio of (9:4) i.e. 9 Equity Shares for 4 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Harsh Malpani	11,31,750	Promoter
						Mohit Malpani	11,50,875	Promoter
						Deepak Malpani HUF	1,35,000	Promoter Group
						Hirendra Malpani HUF	1,35,000	Promoter Group
						Sonal Malpani	3,39,750	Promoter Group
						Rohit Malpani	9,91,125	Promoter
						Mohit Malpani HUF	67,500	Promoter Group
						Rohit Malpani HUF	90,000	Promoter Group
						Sunita Malpani	1,30,500	Promoter Group
						Hemlata Malpani	2,18,250	Promoter Group
						Deepak Malpani	2,48,625	Promoter Group
						Hirendra Malpani	3,37,500	Promoter Group
						Harshita Malpani	2,89,125	Promoter Group
						Rini Malpani	2,02,500	Promoter Group

#### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

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

## SECTION II – RISK FACTORS

*Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Red Herring Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 91 and 180, respectively of this Draft Red Herring Prospectus, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

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

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

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 12 of this Draft Red Herring Prospectus.*

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

### **INTERNAL RISK FACTORS:**

#### **1. Our business depends on our manufacturing facility and shutdown of operations of the manufacturing facility on any reasons could adversely affect our business and results of operations.**

Our manufacturing facilities are subject to operating risks such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, raw material shortage or unsuitability, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, earthquakes and other natural disasters, social unrests, industrial accidents, our ability to respond to technological advances and emerging industry and safety standards and practices in the industries in which we operate and propose to operate on a cost-effective and timely basis and any other factors which may or may not be within our control and also we need to comply with the directives of relevant government authorities. The occurrence of any of these types of incidents could significantly affect our production, revenue and operating results.

Although we take necessary precautions to minimize the risk of any significant operational problems at our manufacturing facilities, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our manufacturing facilities, including due to any of the factors mentioned above.



2. *We have not yet placed orders in relation to the capital expenditure to be incurred for the proposed purchase of equipment / machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment / machineries in a timely manner, or at all, the same may result in time and cost over-runs.*

Our Company propose to utilize ₹350.00 lakhs towards purchasing capital equipment, based on our current estimates. The specific number and nature of such equipment to be purchased by our Company will depend on our business requirements and the details of our capital equipment to be purchased from the Net Proceeds which will be suitably updated at the time of filing of the Draft Red Herring Prospectus with the RoC. The orders for the machinery have not been placed and all the machines are new one.

The orders for the machinery have not been placed and all the machines are new one. and the validity quotations are for six months. We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue and subsequent change in quotation price which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation.

please refer to the chapter titled “Objects of the Issue” on page 67 of this Draft Red Herring Prospectus.

3. *We derive a significant portion of our revenues from Our top ten customers. The loss of any significant customer may have an adverse effect on our business, financial condition, results of operations, and prospects*

A significant portion of our revenues generates from top Ten (10) clients. For the Financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as follows:

(in ₹ Lakhs)

Particular	Revenue from Top Ten (10) Clients					
	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue	%	Revenue	%	Revenue	%
Top 10 Customers	7950.60	56.40	4246.62	51.50	1778.47	50.95

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. We have not entered in to any written agreement in this regard. While we believe we have maintained good and long-term relationships with our customers but we cannot be assured that they will continue to purchase regularly from us in future. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, Loss of any of the customer or reduction in order from any of such customer will adversely affect the business of the Company and adversely affect the profitability and financial position of the Company. Furthermore, events such as adverse market conditions, any restructuring or changes in the regulatory regime, could adversely affect our clients and consequently impact our business operations and profitability.

4. *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.*

A significant portion of our purchase from top Ten (10) suppliers. based on Restated Financial Statements for the Financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 as follows:

(in ₹ Lakhs)

Particular	Purchase from Top Ten (10) suppliers					
	FY 2023-24		FY 2022-23		FY 2021-22	
	Purchase	%	Purchase	%	Purchase	%
Top 10 Suppliers	8225.03	58.35	4961.05	60.17	1892.84	54.23

Further For the past two years, we have been importing raw materials (granules) from various locations, including Dubai, Singapore, Belgium, the UK, Vietnam, Switzerland, Ajman (UAE), accounting for 54.42% in FY 2023-24 and 22.31% in FY 2022-23. The remaining raw materials are sourced domestically, with 45.58% in FY 2023-24 and 77.69% in FY 2022-23 coming from Madhya Pradesh, Gujarat, Delhi, Uttarakhand, Maharashtra, and Rajasthan.

However, our top 10 suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process and purchase 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.

We have not entered into any long-term supply agreements for our raw materials and procure them both from domestic sources and international suppliers. 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. 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 supplier, and loss of business with one or more of them may adversely affect our purchases and business operations and profitability.

For further details about business of our Company, please refer chapter titled “Business Overview” beginning on Page 91 of this Draft Red Herring Prospectus.

**5. There are outstanding litigations involving the Company which if determined against us, could adversely impact financial conditions.**

There are outstanding litigations against and by our Company, the promoter and director of the Company. The summary details of this legal proceeding are given below in the following table:

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation filed by the Company	Criminal Proceedings	2	9.20
Litigation filed by promoter/Director of the Company	Civil Proceedings	2	24.31

For further details regarding outstanding litigations by and against company please refer the chapter “Outstanding Litigations and Material Development” on page no. 196 of this Draft Red Herring Prospectus.

**6. Majority of Our operations are limited to the states of Northern India. Up till now, we are supplying our products to the customers spread over with the state of Northern India.**

The state-wise distribution of our products is as follows: (₹ in Lacs)

Particulars	2023-24	%	2022-23	%	2021-22	%
Madhya Pradesh	7,359.39	52.22%	4,022.09	48.85%	1,085.68	31.19%
Utter Pradesh	154.02	1.09%	124.49	1.51%	551.18	15.83%
Delhi	157.31	1.12%	0	0.00%	0.00	0.00%
Punjab	0.70	0.00%	14.93	0.18%	0.32	0.01%
Bihar	350.01	2.48%	159.91	1.94%	87.65	2.52%
Chhattisgarh	1227.03	8.71%	443.09	5.38%	319.88	9.19%
Himachal Pradesh	0	0.00%	0	0.00%	0.19	0.01%
<b>(A) Total (Northern India)</b>	<b>9,248.46</b>	<b>65.62%</b>	<b>4,764.51</b>	<b>57.86%</b>	<b>2,044.90</b>	<b>58.75%</b>
Rajasthan	898.18	6.37%	2,880.35	34.98%	1052.76	30.24%
Gujarat	253.89	1.80%	109.04	1.32%	116.18	3.34%
Telangana	0	0.00%	2.30	0.03%	1.38	0.04%
Karnataka	0	0.00%	0.16	0.00%	0.42	0.01%
Kerela	0	0.00%	0	0.00%	1.32	0.04%
Tamil Nadu	0	0.00%	0	0.00%	5.16	0.15%
Odisha	3.71	0.03%	0	0.00%	2.54	0.07%
Maharashtra	3,674.83	26.08%	476.24	5.78%	256.60	7.37%
Andhra Pradesh	13.93	0.10%	1.07	0.01%	0	0.00%
<b>(B) Total (Other than Northern India)</b>	<b>4844.54</b>	<b>34.38%</b>	<b>3469.16</b>	<b>42.12%</b>	<b>1436.36</b>	<b>41.26%</b>
<b>Total Revenue from operation (A+B)</b>	<b>14,093.00</b>	<b>100.00</b>	<b>8,233.67</b>	<b>100.00</b>	<b>3,481.25</b>	<b>100.00</b>

Our customers are spread over the different states of the country. Majority of supply of our product is made to the state of Northern part of India viz. 9,248.46 lakh (65.62%) in F.Y. 2023-24; 4,764.51 lakh (57.86%) in FY 2022-23 and 2,044.90 lakh (58.75%) in FY 2021-22 of total Revenue from operation. in the event of any natural or manmade calamity in the states of North India, our entire business operation comes to stand still. Under the circumstances our business, revenue and our profitability will be adversely affected.

**7. 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.**

We procure our raw materials from the domestic market as well as from International Market. We Import raw materials (granules) from various locations, including Dubai, Singapore, Belgium, the UK, Vietnam, Switzerland, Ajman (UAE), accounting for 54.42% in FY 2023-24 and 22.31% in FY 2022-23. The remaining raw materials are sourced domestically, with 45.58% in FY 2023-24 and 77.69% in FY 2022-23 from various states namely Madhya Pradesh, Gujarat, Delhi, Uttarakhand, Maharashtra, and Rajasthan.

We currently use polyethene polymers/resins to manufacture our products, prices of which are dependent on crude oil price movements, as well as other factors such as changes in the global demand supply scenario and import-export regulations. Since, the costs of the imported raw material are denominated in foreign currencies, any depreciation in the Rupee vis-a-vis these foreign currencies, to the extent our exposure is unhedged, would adversely affect our financial condition and results of operations. The price we pay in Rupees for our raw materials is also affected by changes in the exchange rate between the Rupee and the U.S. dollar. However, there is no conflict of interest between the suppliers of the raw materials and third-party service providers and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and the Subsidiary/ Group Companies and its directors.

**8. We engage in foreign currency transactions, which expose us to adverse fluctuations in foreign exchange rates. Fluctuations in the exchange rate between the Rupee and other currencies may adversely affect our operating results.**

We import some of our raw material in foreign currency accounting for 54.42% in FY 2023-24 and 22.31% in FY 2022-23 of total purchase. While our principal revenues are in Rupees, since the costs of the imported raw material are denominated in foreign currencies, any depreciation in the Rupee vis-a-vis these foreign currencies, to the extent our exposure is unhedged, would adversely affect our financial condition and results of operations.

In addition, a depreciation in the rate of exchange of the Rupee and the foreign currencies would lead to increases in the prices of the domestic raw materials required to manufacture our products. If we were unable to pass on increases in the costs of raw materials to customers in the form of higher prices for our products, it would adversely affect our financial condition and results of operations.

Please refer to the section titled “Restated Financial Statements” Note no. AE, beginning on page 142 of this Draft Red Hearing Prospectus.

**9. We have experienced negative cash flows from operating activities and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

The Company has reported negative cash flow from operating activities in previous years as per the Restated Financial Statements as given below:

Particulars	Fiscal		
	2024	2023	2022
Net cash flow from operating activities (A)	(559.35)	(565.28)	46.15

(₹ In Lakhs)

For details, see “Restated Financial Statement – Restated Cash flow Statement” on page 142.

Though, our cash flow from operating activities were positive for the Financial Year 2022-23, we are not sure about maintaining of Positive Cash Flow from operating activities. 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. We may continue to have negative operating cash flows in future. If our Company is not able to generate sufficient operating cash flows, it may

adversely affect our business and financial operations. For further details, see “*Restated Financial Statement*” on page 142 of this Draft Red Herring Prospectus.

**10. The unsecured loan availed by our Company from Directors may be recalled at any given point of time.**

Our Company has availed unsecured loans from Directors from time to time. The outstanding payable to them as on March 31, 2024 amounts to Rs. 537.00 Lakhs as per Restated Financials Statement. Although there are no terms and condition prescribed for repayment of unsecured loan from our Directors, Promoters and Promoter Group 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 “Restated Financial Statements” on page 142 of this Draft Red Herring Prospectus.

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

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

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

**12. *We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

Although, we have obtained all material approvals required to carry on our business activities as on the date of this Draft Red Herring Prospectus, most of these approvals are granted for a fixed period of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all. We have made or are in the process of making applications to the relevant authorities to reflect the change in our name from ‘Malpani Pipes and Fittings Private Limited’ to ‘Malpani Pipes and Fittings Limited’. For details, see “Government and Other Approvals” on – of the Draft Red Herring Prospectus.

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


Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue such approvals in the time limit anticipated by us. Non-receipt of the aforesaid license would result in payment of fines under the respective laws. We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

**13. Intense competition in the market of Pipes 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. We face competition from other players in the plastic pipes segment as well as from manufacturers of alternative products to plastic pipes and fittings. Our competitors include the big, mid-sized, and several smaller local competitors in the 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 91 of this Draft Red Herring Prospectus.

**14. Our inability to maintain and protect our brand and business reputation could adversely affect our business, prospects and financial performance. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.**

As on the date of this Draft Red Herring Prospectus, our Company has  and other seven registered trademarks.


Our products come under the brand name of “VOLSTAR”. Our business reputation and brand are important to the success of our business. Various factors, some of which are beyond our control, are critical for maintaining and enhancing our brand. These include our ability to effectively manage the quality of our products and address grievances, increase brand awareness among existing and potential customers, adopt new technologies or adapt our systems to customer requirements or emerging industry standards, and protect the intellectual property related to our brand. Our brand could also be harmed if we fail to maintain our established standards or if we become the subject of any negative media coverage. Our failure to develop, maintain and enhance our brand may result in decreased revenue and loss of customers, and in turn adversely affect our business, financial condition and results of operations

There can be no assurance that we will be able to register our trademark and the logo or that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation, and goodwill. 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. Accordingly, we may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

For details in relation to registered trademarks of our Company, see “Government and Other Approvals-Intellectual Property” on page 201

**15. Our Company does not have intellectual property rights over its corporate logo**



We have our corporate logo in the name and style of , but the same is not registered with the Trade Marks Act, 1999. We have applied for registration of the same with the Trade Marks Authority under class 17 and 35. Currently, our logo is not Registered with the Authority, we have applied for its registration with Trade Marks and patents Authority. In absence of our Registered Logo or Trademark there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs and logo also. For further details on Intellectual Properties, please see page 201 in the chapter “Government and other Statutory Approval” of this Draft Red Herring Prospectus.

**16. 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. Set forth below are details of our revenue from operations and profit after tax in the corresponding periods:

(₹ in Lakhs)

Particular	Fiscal		
	2024	2023	2022
Revenue from Operations	14,096.18	8,245.09	3,490.58
Restated profit for the year	739.72	208.04	89.06

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 service process;
- 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.

**17. Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.**

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Though we have not faced any labour problem in the past, we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

**18. Any inability on our part to maintain quality standards could adversely impact our business, results of operations and financial condition.**

Our manufacturing facility situated at Ratlam, Madhya Pradesh is ISO 9001:2015 certified for quality management system. Also, our company have certification marks licenses from the Bureau of Indian Standards ("BIS") for our range of Piping products that adhere to ISO standards. Quality control is vital element for our sector. If we are not able to maintain the quality of our products or we fail to match the specification for the product which are to be supplied to the Government by the test from outside agencies then our business, result of operation and financial conditions will be affected on account of rejection of material. However, we have not such faced any situation of rejection of material.

**19. Two of our group companies are into similar line of business which can affect our company because of the Potential Conflict of Interest.**

As of the date of this Draft Red Herring Prospectus, our group companies Terex Industries Private Limited and Malpani Plastic Private Limited are engaged in businesses similar to ours. The Terex industries Private Limited engaged in the recycling of plastic scraps into granules and Malpani Plastic Private Limited is engaged in the business of trading of plastic items such as HDPE Pipes, Sprinkler etc which is our final Products. We have entered into related party transaction with the Malpanai Plastic Private Limited and Terex Industries Private Limited. Though there is non compete agreements among these entities for preventing these companies from competing directly with us in our market segments., but potential conflicts of interest when distributing business opportunities may arise. This situation could become particularly problematic if and



when our interests diverge. For details, see, “Our Promoter and Promoter Group - Entities forming part of our Promoter Group” at page 137.

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

We have entered into certain transactions with related parties which are in compliance with Company Law and Other Applicable Laws with our Promoter, Promoter Group, Directors, Key managerial personal, Material Group Companies and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. The correspondence purchase and sale price from third party is not available/provided by the company, however, there is no assurance that we could have obtained better and more favorable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm’s length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations, the same related party transactions may potentially involve conflicts of interest and there can be no assurance that we will be able to address such conflict of interest in future. For details of transactions, please refer to “Note – AA” *Related Party Transactions*” on page 173 of Restated Financial Information.

**21. *Our insurance policies may not be adequate to cover all losses incurred in our business. Our inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to certain hazards such as work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause destruction of property and inventory. Our principal types of insurance coverage include coverage for our stocks that includes all normal risks associated with our business, including fire, burglary We typically maintain standard fire and burglary insurance policies for our stocks, building, plant and machineries and marine insurance policies for transit of goods. These insurance policies are generally valid for a year and are renewed annually. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. To the extent that we suffer loss or damage as a result of such events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see “Business Overview – Insurance” beginning on page 91.

**22. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 67 of this Draft Red Herring Prospectus.

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

We believe that our Promoters have played a key role in the development of our business and we benefit from their industry knowledge, expertise, vision and leadership. Our Promoters have strong operational knowledge, good relationships with our clients and a successful track record of executing infrastructure projects. In addition to our Promoter, our key management and senior management team includes qualified, experienced

and skilled professionals who possess requisite experience across various division of our business. We believe the stability of our management team and the industry experience brought on by our individual Promoters enables us to continue to take advantage of future market opportunities. We believe that our senior management team is well qualified to leverage our market position with their collective experience and knowledge in the infrastructure construction industry, to execute our business strategies and drive our future growth.

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

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

**24. Our Promoters and members of the Promoter Group have provided personal guarantees and may in the future provide additional guarantees. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees provided by our Promoters and members of the Promoter Group.**

According to the terms and conditions of Bank sanction letter, our Promoters and their Relatives have provided personal guarantees to secure our existing borrowings and may post listing continue to provide such guarantees and other collateral securities. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter may be invoked, which could negatively impact the reputation and net worth of the Promoter. Accordingly, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

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

Our Promoters' average cost of acquisition of Equity Shares in our Company is, lower than the Issue Price which is proposed to be determined on a fixed price basis. The Average cost of Acquisition of equity shares acquired by the promoters is set out below.

Promoters	Average cost of acquisition per Equity Share (in ₹)
Harsh Malpani	3.12
Mohit Malpani	7.37
Rohit Malpani	4.35

For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "Capital Structure" on page 52 of this Draft Red Herring Prospectus.

**26. There have been instances of delay in filing of Goods and Service Tax (GST) returns, Employee State Insurance (ESI) Returns, return of Tax Deducted at Source (TDS) dues and in payment of Provident Fund dues.**

There have been instances of delay in filing of GST returns in the past which were due to initial technological issue with GST portal, limited time frame for staff to align with the amendments in the initial years and multiple clarifications issued by the GST authorities. A wrong filing of GST return can lead to huge penalties and interest. Therefore, reconciliation and checking of returns before submitting them is necessary as there is



no opportunity to make any changes afterward. Hence, there were delays in filing of GST returns in order to include correct inputs from all stakeholders involved and make them error free. There were also some delays in payment of EPF primarily due to technical glitches on the portal. Although, we have undertaken certain steps to avoid future delays, there can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition.

***27. The requirements of being a public listed company have many restrictions and may strain on our resources.***

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

***28. All of our directors do not have any prior experience of being a director in any other listed company in India.***

Our Board of Directors currently consists of six (6) members, including the Chairman and Managing Director. Of these, three (3) are an Executive Director, One (1) is Non-Executive Directors, and two (2) are Non-Executive Independent Directors. While our Board members bring significant expertise in their respective fields, none of them have prior experience serving as directors in any other listed company in India. This lack of experience may present potential challenges in aligning with the best practices of corporate governance and effectively implementing these norms. Additionally, the absence of such experience could influence the company's credibility and reputation among investors and other key stakeholders. For further details, please refer to the chapter titled "Our Management" on page 124.

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

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

***30. Our operations are subject to environmental, health and safety laws and regulations***

We are executing the projects of the Government and Semi-government authority for their infrastructure projects, we are required to comply with various laws and regulations relating to the environment, health and safety. Our project operations are subject to local environmental laws and regulations. There can be no assurance that compliance with such environmental laws and regulations will not result in a stoppage of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Though, we have not faced any environment legal action, however, we cannot assure you that we may not any such situation and legal proceedings in the course of our business. Such legal proceedings could divert management time and attention and consume financial resources

in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. We cannot give any assurance that we will be successful in all, or any, of such proceedings.

**31. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialised, could adversely affect our financial condition.**

The following table sets forth our contingent liabilities as of March 31, 2024 and March 31, 2023, as per the Restated Financial Statement:

Particulars		March 31, 2024	March 31, 2023	March 31, 2022
Contingent liabilities in respect of:				
1	Claims against the company not acknowledged as debts (TDS Defaults) *	6.26	5.58	-
2	Other commitments**	23.00	-	-

\* As of 31.03.2024, Balance of Claims against the company not acknowledged as debts (TDS Defaults) is Rs. 626370

\*\* As on 31.03.2024 company has issued bank guarantee of Rs. 23,00,000 out of total sanction limit of 30,00,000 from ICICI Bank Limited

The contingent liability amounts with respect to claims not acknowledged as debts disclosed in our Restated Financial Statements represent estimates and assumptions of our management based on advice received. If, for any reason, these contingent liabilities materialize, it would adversely affect our financial condition and results of operations.

**32. Changes in Government Regulation for the use of Plastic Products may affect our business operations, revenue and profitability adversely.**

Environment and safety considerations are an important part of our operations. We are subject to environmental laws and regulations, including regulations relating to the protection of the environmental and human health in relation use of plastics and our manufacturing facility. We have to comply with the stringent environment regulations for manufacturing and dealing in the plastics products. Violation of any of the Environment regulations will leads company to strict disciplinary actions including penalty, closure of our units etc. However, in future, due to any change in Government Environment policy in respect of use and supply of plastics products in which we deal, will adversely affect our business operations, revenue and profitability.

**33. We are exposed to the risks of disruptions of information technology systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.**

We have implemented various information technology solutions to cover key areas of our operations including sourcing, planning, manufacturing, supply chain, accounting and data security. However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. A largescale information technology malfunction could disrupt our business or lead to disclosure of, and unauthorized access to, sensitive Company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various information technology systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and cash flows. There is no assurance that we will not experience disruption in our information technology systems in the future and we will be able to remedy such disruption in timely manner, or at all. Any such disruption of our information technology systems could have a material adverse effect on our business, results of operation and financial condition. Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our information technology systems may lead to inefficiency or disruption of our information technology systems, thereby adversely affecting our ability to operate efficiently. Any failure in overhauling or updating our information technology systems in a timely manner could cause our operations to be vulnerable to external attacks and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to conduct our normal business operations, which may materially adversely affect our business, financial condition, results of operations, cash flows and

prospects. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete. Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the contractual risks and operational risks of these external vendors. Their failure to perform their contractual obligations could materially and adversely affect our business, results of operations and cash flows.

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

Our Promoters and Directors and Key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Business Overview” and “Our Promoters and Promoter Group”, beginning on page 91 and 137 respectively and the chapter titled “Note AA – Related Party Transactions” on page 173 under chapter titled “Restated Financial Statements” beginning on page 142 of this Draft Red Herring Prospectus

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

In terms of Regulation 41 of SEBI (ICDR) (Amendment) Regulations, 2022, as amended, appointment of monitoring agency is required only for Issue size above Rs. 100 cr. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the National Stock Exchange of India Limited.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations. We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, please refer the section titled ‘Dividend Policy’ beginning on page 141 of this Draft Red Herring Prospectus.

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

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

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

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

The proposed fund requirement, for funding our working capital requirements, primarily, as detailed in the chapter titled “Objects of the Issue” beginning on page 67 is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

**39. *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.

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

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be changed subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page no. 67 of this Draft Red Herring Prospectus.

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

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

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

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company had made good progress in establishing its name in EPC Contract Business. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “Basis for Issue Price” beginning on the page no 74 of the Draft Red Herring Prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

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

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

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

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

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

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

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

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

## **EXTERNAL RISK FACTORS**

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

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

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;

- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India’s economic and fiscal policies; and
- Significant developments in India’s environmental regulations.

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

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

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

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

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page 110 of this Draft Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

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

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

**4. *Our 100% Revenue is derived from business in India and a decrease in economic growth in India could materially affect and cause our business to suffer.***

We derive 100% of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

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

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Book Running Lead Manager have appointed [●] as Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market,

performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

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

## SECTION - III –INTRODUCTION

### THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 30,00,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹[●] Lakhs
<i>Of Which</i>	
Market Maker Reservation Portion	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹[●] Lakhs
Net Issue to the Public*	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs
<i>Of Which</i>	
(A) QIB Portion	Not more than [●] Equity Shares (not more the 50%) aggregating up to ₹ [●] lakhs
<i>Of which</i>	
(a) Anchor Investor Portion	[●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Net QIB Portion (assuming the anchor is fully subscribed)	[●] Equity Shares aggregating up to ₹ [●] lakhs
<i>Of which</i>	
i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares aggregating up to ₹ [●] lakhs
ii) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares aggregating up to ₹ [●] lakhs
(B) Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
(C) Non – Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre-and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	78,97,500 Equity Shares of face value of ₹10.00/- each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of ₹ 10.00/- each
Use of Issue Proceeds	For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 67 of this Draft Red Herring Prospectus.

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

- (1) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 30, 2024 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on August 31, 2024 pursuant to section 62(1)(c) of the Companies Act, 2013. This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 231 of this Draft Red Herring Prospectus.*
- (2) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 235.*
- (3) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories,*



*as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law.*

\*As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a Book Building issue the allocation in the net offer to the public category shall be made as follows:

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

**SUMMARY OF OUR FINANCIAL INFORMATION**

**Annexure I Restated Statement of Assets and Liabilities**

**(Rs. in Lakhs)**

PARTICULARS		NOTES	31-03-24	31-03-23	31-03-22
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1.</b>	<b>Shareholders' Funds</b>				
(a)	Share Capital	<b>A</b>	243.00	193.00	193.00
(b)	Reserves & Surplus	<b>B</b>	1,241.97	390.48	183.30
(c)	Share Application Money		-	-	-
<b>2.</b>	<b>Non-Current Liabilities</b>				
(a)	Long Term Borrowings	<b>C</b>	1,128.62	883.61	669.94
(b)	Deferred Tax Liabilities (Net)	<b>D</b>	19.29	22.33	15.73
(c)	Other Long Term Liabilities	<b>E</b>	-	0.70	0.70
(d)	Long Term Provisions	<b>F</b>	21.74	14.03	8.29
			<b>1,169.64</b>	<b>920.68</b>	<b>694.65</b>
<b>3.</b>	<b>Current Liabilities</b>				
(a)	Short Term Borrowings	<b>G</b>	1,900.25	1,075.65	227.67
(b)	Trade Payables	<b>H</b>			
	(A) outstanding dues of micro enterprises and small enterprises; and		72.70	33.33	90.32
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		948.15	767.87	461.02
(c)	Other Current Liabilities	<b>I</b>	255.41	356.39	259.70
(d)	Short Term Provisions	<b>J</b>	303.60	156.51	20.34
			<b>3,480.11</b>	<b>2,389.75</b>	<b>1,059.06</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,134.72</b>	<b>3,893.90</b>	<b>2,130.01</b>
<b>B)</b>	<b>ASSETS</b>				
<b>1.</b>	<b>Non-Current Assets</b>				
(a)	Property, Plant and Equipment and Intangible assets	<b>K</b>			
	I) Property, Plant and Equipment				
	(i) Gross Block		892.98	831.05	258.98
	(ii) Depreciation		182.09	97.37	54.67
	(iii) Net Block		710.88	733.68	204.31
	II) Intangible Assets		0.16	0.08	0.16
	III) Capital Work-in-Progress		348.83	-	468.81
	IV) Intangible assets under development		-	-	-
(b)	Non-Current Investment				
(c)	Deferred Tax Assets (Net)	<b>D</b>	-	-	-
(d)	Long Term Loans and Advances			-	-
(e)	Other Non-Current Assets	<b>L</b>	513.07	241.37	189.76
			<b>1,572.95</b>	<b>975.13</b>	<b>863.03</b>
<b>2.</b>	<b>Current Assets</b>				
(a)	Trade Receivables	<b>M</b>	1,141.26	612.86	635.48
(b)	Cash and Cash equivalents	<b>N</b>	31.18	257.58	25.16
(c)	Inventories	<b>O</b>	2,886.14	1,782.17	478.64
(d)	Short-Term Loans and Advances	<b>P</b>	129.81	13.46	5.59
(e)	Other Current Assets	<b>Q</b>	373.39	252.71	122.10
			<b>4,561.77</b>	<b>2,918.78</b>	<b>1,266.98</b>
	<b>TOTAL ASSETS</b>		<b>6,134.72</b>	<b>3,893.90</b>	<b>2,130.01</b>

## Annexure - II Restated Statement of Profit and Loss

(Rs. In Lakhs)

PARTICULARS		NOTES	31-03-24	31-03-23	31-03-22
1	Revenue from Operations	R	14,096.18	8,245.09	3,490.58
2	Other Income	S	20.05	11.67	3.09
3	<b>Total Income (1+2)</b>		<b>14,116.23</b>	<b>8,256.76</b>	<b>3,493.67</b>
4	<b>Expenditure</b>				
(a)	(I) Cost of Material Consumed	T	10,125.42	6,522.47	2,762.22
	(II) Purchases of Stock-in-Trade	T	1,334.78	746.04	297.67
(b)	Change in inventories of finished goods, work in progress and stock in trade	U	155.29	(171.86)	(87.36)
(c)	Employee Benefit Expenses	V	183.53	174.96	119.74
(d)	Finance Cost	W	261.88	133.34	51.32
(e)	Depreciation and Amortisation Expenses	X	84.81	42.82	21.86
(f)	Other Expenses	Y	968.13	532.17	209.58
5	<b>Total Expenditure 4(a) to 4(f)</b>		<b>13,113.84</b>	<b>7,979.94</b>	<b>3,375.05</b>
6	<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax (3-5)</b>		<b>1,002.40</b>	<b>276.83</b>	<b>118.62</b>
7	<b>Exceptional and Extra-ordinary items</b>		-	-	-
8	<b>Profit/(Loss) Before Tax (6-7)</b>		<b>1,002.40</b>	<b>276.83</b>	<b>118.62</b>
9	<b>Tax Expense:</b>				
(a)	Tax Expense for Current Year		265.72	62.28	19.55
(b)	Short/(Excess) Provision of Earlier Year		-	(0.10)	(0.07)
(c)	Deferred Tax		(3.04)	6.60	10.09
	<b>Net Current Tax Expenses</b>		<b>262.68</b>	<b>68.79</b>	<b>29.57</b>
10	<b>Profit/(Loss) for the Year (8-9)</b>		<b>739.72</b>	<b>208.04</b>	<b>89.06</b>
11	<b>Basic Earnings Per Share</b>		<b>37.17</b>	<b>10.78</b>	<b>4.61</b>
12	<b>Diluted Earnings Per Share</b>		<b>37.17</b>	<b>10.78</b>	<b>4.61</b>

## Annexure III Restated Cash Flow Statement

(Rs. In Lakhs)

PARTICULARS	31-03-24	31-03-23	31-03-22
<b>A) Cash Flow from Operating Activities:</b>			
Net Profit before tax	1,002.40	276.83	118.62
Adjustment for:			
Depreciation and amortization	84.81	42.82	21.86
Interest Expense	232.13	118.55	37.32
Interest Income	(16.34)	(10.37)	(2.46)
<b>Operating profit before working capital changes</b>	<b>1,303.00</b>	<b>427.83</b>	<b>175.34</b>
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(528.40)	22.62	(354.45)
(Increase)/Decrease in Inventory	(1,103.97)	(1,303.53)	(227.76)
(Increase)/Decrease in Short Term Loans & Advances	(116.34)	(7.88)	(5.59)
(Increase)/Decrease in Other Current Assets	(120.68)	(130.61)	(87.08)
Increase/(Decrease) in Trade Payables	219.65	249.85	320.78
Increase/(Decrease) in Other Current Liabilities	(100.98)	96.69	228.04
Increase/(Decrease) in Short Term Provisions, etc	147.09	136.17	8.06
Increase/(Decrease) in Long Term Liability	(0.70)	-	-
Increase/(Decrease) in Long Term Provisions	7.70	5.75	8.29
<b>Cash generated from operations</b>	<b>(293.63)</b>	<b>(503.10)</b>	<b>65.63</b>
Direct Taxes Paid	(265.72)	(62.18)	(19.47)
<b>Net cash flow from operating activities A</b>	<b>(559.35)</b>	<b>(565.28)</b>	<b>46.15</b>
<b>B) Cash Flow from Investing Activities:</b>			
Purchase of Fixed Assets including of CWIP	(410.93)	(127.43)	(471.49)
Capital subsidy received for plant		24.12	48.24

(Purchase)/Sale of investments	-	-	-
(Increase)/Decrease in Other non-current Asset	(271.70)	(51.61)	(152.48)
Interest Income	16.34	10.37	2.46
<b>Net cash flow from investing activities B</b>	<b>(666.29)</b>	<b>(144.55)</b>	<b>(573.26)</b>
<b>C) Cash Flow from Financing Activities:</b>			
Proceeds from issue of shares	160.00	-	
Increase/(Decrease) in Short Term Borrowings	824.60	847.98	(28.92)
Increase/(Decrease) in Long Term Borrowings	245.01	213.67	615.02
Interest Expense	(232.13)	(118.55)	(37.32)
Dividend Paid	-	-	-
Adjustment in reserve and surplus	1.77	(0.86)	(5.05)
<b>Net cash flow from financing activities C</b>	<b>999.25</b>	<b>942.25</b>	<b>543.73</b>
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	(226.40)	232.41	16.62
Cash equivalents at the beginning of the year	257.58	25.16	8.54
<b>Cash equivalents at the end of the year</b>	<b>31.18</b>	<b>257.58</b>	<b>25.16</b>

**Notes:**

**1. Component of Cash and Cash equivalents**

<b>Particulars</b>	<b>31-03-24</b>	<b>31-03-23</b>	<b>31-03-22</b>
Cash on hand	29.91	28.10	10.16
Balance With banks	1.27	229.48	15.01
<b>Total</b>	<b>31.18</b>	<b>257.58</b>	<b>25.16</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

## GENERAL INFORMATION

Our Company was incorporated as “Malpani Pipes And Fittings Private Limited” on February 3, 2017 under the provisions of Companies Act, 2013 with the Registrar of Companies, Gwalior bearing Corporate Identification Number U25209MP2017PTC042337. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to “Malpani Pipes And Fittings Limited” vide Special Resolution dated 13<sup>th</sup> May, 2024 and a fresh certificate of incorporation consequent to conversion was issued on July 29, 2024 by the Registrar of Companies, Gwalior. The Corporate Identification Number of our Company is U25209MP2017PLC042337. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page 120 of this Draft Red Herring Prospectus.

The Corporate Identification Number of our Company is U25209MP2017PLC042337.

### Registered office of our Company

#### MALPANI PIPES AND FITTINGS LIMITED

**Address:** 65-A, Sector B Industrial Area,  
Ratlam, Madhya Pradesh-457001, India

**Tel No:** 07412-260707

**Website:** [www.malpanipipes.com](http://www.malpanipipes.com)

**E-mail:** [pipes@malpanipipes.com](mailto:pipes@malpanipipes.com)

### ADDRESS OF REGISTRAR OF COMPANIES

#### Registrar of Companies

Our Company is registered with the Registrar of Companies, Gwalior, Madhya Pradesh. located at: 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madya Pradesh

### Board of Directors of our Company

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

Sr No	Name	Designation	DIN	Address
1	Rohit Malpani	Managing Director	08671175	151, Sai Sajjan, Shashtrinagar, Ratlam, Madhya Pradesh – 457001, India
2	Mohit Malpani	Whole time Director	07691981	151, Sai Sajjan, Shashtrinagar, Ratlam, Madhya Pradesh – 457001, India
3	Harsh Malpani	Whole time Director & CFO	07691974	151, Shashtrinagar, Ratlam, Madhya Pradesh – 457001, India
4	Sonal Malpani	Non-Executive & Director	10694426	151, Sai Sajjan, Shashtrinagar, Ratlam, Madhya Pradesh – 457001, India
5	Neha Somani	Independent Director	10694432	B 4302, Alpine Tower, Near Thakur college, Samta Nagar, Kandivali east, Mumbai, Suburban, Maharashtra-400101, India
6	Ashesh Agnihotri	Independent Director	10728143	37 MIG, Indira Nagar, Ratlam, Alot, Madhya Pradesh-457001, India

For further details of our directors, please refer chapter titled “Our Management” beginning on page 124 of this Draft Red Herring Prospectus.

### Company Secretary and Compliance Officer

#### Hariom Patidar

Malpani Pipes and Fittings Limited

**Address:** 65-A, Sector B, Industrial Area,  
Ratlam, Madhya Pradesh-457001, India

**Tel No.:** 07412-260707

**Website:** [www.malpanipipes.com](http://www.malpanipipes.com)

**Email ID:** [cs@malpanipipes.com](mailto:cs@malpanipipes.com)

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

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

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

Book Running Lead Managers to the Issue	Registrar to the Issue
<b>Interactive Financial Services Limited</b> Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India Tel No.: +91 079- 4908 8019 (M): +91-9898055647 Website: <a href="http://www.ifinservices.in">www.ifinservices.in</a> Email: <a href="mailto:mbd@ifinservices.in">mbd@ifinservices.in</a> Investor Grievance Email: <a href="mailto:info@ifinservices.in">info@ifinservices.in</a> Contact Person: Pradip Sandhir SEBI Registration No: INM000012856	<b>Bigshare Services Private Limited</b> Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093 , Maharashtra, India Tel No.: +91 22-62638200 Fax No.: +91 22-62638299 Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> E-Mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Investor Grievance Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Mr. Vinayak Morbale SEBI Reg. No.: INR000001385
Legal Advisor to the Issuer	Statutory and Peer Reviewed Auditor
<b>Mindspright Legal</b> Address: 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India. Tel No.: +91-22-42197000, Email: <a href="mailto:ipo@mindspright.co.in">ipo@mindspright.co.in</a> Contact Person: Ms. Richa Bhansali Website: <a href="https://mindspright.co.in/">https://mindspright.co.in/</a>	<b>M/S KARMA &amp; CO. LLP</b> Chartered Accountants Address: 503, 5th floor, “PATRON”, Opp. Kensville Golf Academy, Rajpath Club to S P Ring Road, Bodakdev. Ahmedabad-380054, India (M): +91 9979997107 Email: <a href="mailto:Ahd.office@karmallp.in">Ahd.office@karmallp.in</a> Contact Person: CA Jignesh Dhaduk Firm Registration: 127544W/W100376 Membership Number: 129149 Peer Review Registration Number: 017384
Bankers to the Company	Bankers to the Issue and Refund Banker and Sponsor Bank
<b>ICICI BANK LTD</b> Address: ICICI BANK LTD, 91/1 kamar manzil, new road, Ratlam, 457001. Tel.: 18001080 E-mail: <a href="mailto:Vipin.s@icicibank.com">Vipin.s@icicibank.com</a> Website: <a href="http://www.icicibank.com">www.icicibank.com</a> Contact Person: Vipin Sharma Designation: Regional Head Sales	[•]
<b>Small Industries Development Bank of India</b> Address: SIDBI Towers, 15, Ashok Marg, Lucknow- 226001 Tel.: 0731-2538046 E-mail: <a href="mailto:jmirdha@sidbi.in">jmirdha@sidbi.in</a> Website: <a href="http://www.sidbi.in">www.sidbi.in</a> Contact Person: Jitendra Kumar Mirdha	

Designation: Assistant General Manager	
<b>YES Bank Limited</b> Address: Ground Floor, Hotel Mangal City, Scheme No. 54, Vijay Nagar Circle Indore (MP) Tel.: 9755010196 E-mail: <a href="mailto:anik.sarkar@yesbank.in">anik.sarkar@yesbank.in</a> Website: <a href="http://www.yesbank.in">www.yesbank.in</a> Contact Person: Anik Sarkar Designation: Cluster Head	

#### **SYNDICATE MEMBER(s)**

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

#### **DESIGNATED INTERMEDIARIES**

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>.

Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. 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](http://www.sebi.gov.in)) and it's updated from time to time.

#### **Registered Broker**

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

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

#### **Registrar to the Issue and Share Transfer Agents**

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

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

#### **Inter-Se Allocation of Responsibilities**

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

#### **Credit Rating**

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

### **IPO Grading**

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

### **Monitoring Agency**

As per regulation 262(1) of SEBI (ICDR) Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakhs. Since the Issue size is only of ₹ [●], our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **Appraising Entity**

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

### **Expert Opinion**

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

Our Company has received a written consent from our Statutory Auditor, M/s. KARMA & CO. LLP., Chartered Accountants, with respect to the Statement of Tax Benefits dated September 11, 2024 and Peer Review Auditor, KARMA & CO. LLP. Chartered Accountants, with respect to their report on the Restated Financial Statements dated September 02, 2024 to include their name in this Draft Red Herring Prospectus, as required under Companies Act, 2013 read with SEBI (ICDR) Regulations, 2018 as “Expert”, defined in section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

### **Debenture Trustee**

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

### **Changes in Auditors during the Last Three Years**

Except as disclosed below, there has been no change in the Statutory Auditors of our Company during the last three years preceding the date of this Draft Red Herring Prospectus.

<b>Particulars</b>	<b>Date of Appointment /Resignation</b>	<b>Reason for change</b>
<b>M/S DINESH AJMERA &amp; ASSOCIATES</b> Chartered Accountants Address: 901, Scheme No. 114, Part-I, Vijay Nagar, Indore, Madhya Pradesh- 452010 Tel: 9302955911, 9826940911 Email: <a href="mailto:anoop_verma3@yahoo.com">anoop_verma3@yahoo.com</a> Contact Person: CA Anoop Verma Firm Registration: 011970C Membership Number: 405572	December 29, 2018 To March 25, 2023	Resignation Due to Pre-Occupation
<b>M/S G S V M &amp; COMPANY</b> Chartered Accountants Address: 91/1, Second Floor, Kamar Manzil, New Road Lokendra Talkies, Ratlam, Madhya Pradesh, - 457001 Tel: 8962379700 Email: <a href="mailto:cagovindsoni@gmail.com">cagovindsoni@gmail.com</a> Contact Person: CA Govind Soni Firm Registration: 027543C Membership Number: 419520	April 21, 2023	Appointment to fill Casual Vacancy
<b>M/S G S V M &amp; COMPANY</b>	September 30, 2023 to	Re-appointment in



Chartered Accountants Address: 91/1, Second Floor, Kamar Manzil, New Road, Ratlam, Madhya Pradesh, MP- 457001 Tel:8962379700 Email: <a href="mailto:cagovindsoni@gmail.com">cagovindsoni@gmail.com</a> Contact Person: CA Govind Soni Firm Registration: 027543C Membership Number: 419520	June 04, 2023	AGM and Cessation as on June 04, 2023 due to Pre-Occupation
<b>M/S KARMA &amp; CO. LLP #</b> Chartered Accountants Address: 503, 5 <sup>th</sup> floor, "PATRON", Opp. Kensville Golf Academy, Rajpath Club to S P Ring Road, Bodakdev. Ahmedabad-380054 Tel: 9979997107 Email: <a href="mailto:Ahd.office@karmallp.in">Ahd.office@karmallp.in</a> Contact Person: CA Jignesh Dhaduk Firm Registration: 127544W/W100376 Membership Number: 129149 Peer Review Registration Number: 017384	June 08, 2024	Appointment to fill Casual Vacancy

# Appointment of M/S Karma & Co. LLP has appointed as Statutory auditor of the company to fill the casual vacancy and hold the office of auditor from the conclusion of Extra Ordinary General Meeting dated June 08, 2024 till the conclusion of ensuing Annual General Meeting.

#### Filing of Draft Offer Document/ Offer Document

- The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with SME Platform of BSE Limited ("BSE SME") situated at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, India.
- A soft copy of Draft Red Herring Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
- A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Gwalior, Madhya Pradesh, Located at: 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madya Pradesh.

#### Underwriter

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

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

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

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

#### BOOK BUILDING PROCESS:

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

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

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (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 Bidders applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 235 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI (ICDR) Regulations, 2018 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 235 of this Draft Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of [●] Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24.00	500	16.67 %
1000	23.00	1500	50.00 %
1500	22.00	3000	100.00 %
2000	21.00	5000	166.67 %
2500	20.00	7500	250.00 %

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalize 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 235 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act, 1961 in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### **WITHDRAWAL OF THE ISSUE**

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

#### **Market Maker**

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

[●]

[●] is registered with Platform of BSE as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations, 2018.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 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 trading hours in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE Limited (SME platform of BSE ) 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 in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. The minimum lot size in the IPO is [●] Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of [●] Equity Shares is met, until the same is revised by Stock exchange.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of stock exchange from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (including the [●] Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange may intimate the same to SEBI after due verification. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five (5) Market Makers for scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investor.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.
9. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on BSE and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars or amended from time to time.
10. The Market Maker shall not buy the Equity Shares from the Promoters or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoter or Promoter Group, during the Compulsory Market Making Period.
11. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not

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

12. The BRLM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.
14. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
15. The Market Maker shall have the right to terminate said arrangement by giving a six month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
16. 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 Make in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.
17. **Risk containment measures and monitoring for Market Makers:** BSE Exchange will have all margins, which are applicable on the 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.
18. **Punitive Action in case of default by Market Makers:** BSE Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular Equity Shares of the Company as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.  
  
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
19. Price Band and Spreads SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be
  - I. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - II. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
20. 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 BSE.

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

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

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

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

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

## CAPITAL STRUCTURE

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

Amount (₹ in Lacs except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	1,20,00,000 Equity Shares of face value of ₹10 each	1200.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED &amp; PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	78,97,500 fully paid Equity Shares of face value of ₹. 10 each	789.75	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Issue Upto 30,00,000 Equity Shares of face value of ₹10 each at a premium of ₹ [●] per share	[●]	[●]
(I)	Reservation for Market Maker [●] Equity Shares of face value of ₹10 each at a premium of ₹. [●] will be available for allocation to Market Maker	[●]	[●]
(II)	Net Issue to the Public [●] Equity Shares of face value of ₹10 each at a premium of ₹. [●] per share	[●]	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	(a) Anchor Investor Portion- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)- Upto [●] Equity Shares of face value of ₹ 10/- each fully paidup for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	<b>Of which:</b>		
	(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	(ii) Balance of QIB Portion for all QIBs including Mutual Funds- Upto [●] Equity Shares of face value of ₹ 10/- each fully paid-up for cash at price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs	[●]	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	<b>Allocation to Retail Individual Investors:</b> At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	[●]	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE</b>		
	[●] Equity Shares of ₹10 each	[●]	[●]



<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Issue		161.20
	Share Premium account after the Issue		[●]

#### Details of Changes in Authorized Share Capital:

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

Sr. No.	Date of Change	AGM/ EGM	Changes in authorized Capital
1.	On Incorporation (February 03, 2017)	-	The authorized capital of our company on incorporation comprised of ₹ 10,00,000/- consisting of 1,00,000 Equity shares of ₹. 10/- each.
2.	February 05, 2018	EGM	The authorized share capital of ₹10,00,000/- consisting of 1,00,000 Equity shares of Rs. 10 each was increased to ₹ 30,00,000/- consisting of 3,00,000 Equity shares of ₹10/- each.
3.	May 02, 2019	EGM	The authorized share capital of ₹30,00,000/- consisting of 3,00,000 Equity shares of Rs. 10 each was increased to ₹ 50,00,000/- consisting of 5,00,000 Equity shares of ₹10/- each.
4.	January 06, 2020	EGM	The authorized share capital of ₹ 50,00,000/- consisting of 5,00,000 Equity shares of Rs. 10 each was increased to ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10/- each.
5.	March 07, 2020	EGM	The authorized share capital of ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of Rs. 10 each was increased to ₹ 2,00,00,000/- consisting of 20,00,000 Equity shares of ₹10/- each.
6.	December 01, 2023	EGM	The authorised share capital of ₹ 2,00,00,000/- consisting of 20,00,000 Equity shares of ₹10/- each was increased to ₹ 7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each.
7.	April 25, 2024	EGM	The authorized share capital of ₹7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each was increased to ₹ 12,00,00,000/- consisting of 1,20,00,000 Equity shares of ₹10/- each.

#### Note:

The present Public Issue Upto 30,00,000 Equity Shares which have been authorized by the Board of Directors of our Company at its meeting held on August 30, 2024 and was approved by the Shareholders of the Company by Special Resolution at the Extra Ordinary General Meeting held on August 31, 2024 as per the provisions of Section 62(1)(c) of the Companies Act, 2013.

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

#### NOTES TO THE CAPITAL STRUCTURE:

##### 1. Share Capital History:

Our existing Share Capital has been subscribed and allotted as under:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (February 03, 2017)	10,000	10	10	Cash	Subscription to MoA <sup>1</sup>	10,000
January 03, 2018	40,000	10	10	Cash	Right Issue <sup>2</sup>	50,000
March 07, 2018	2,50,000	10	10	Cash	Right Issue <sup>3</sup>	3,00,000
August 05, 2019	2,00,000	10	11	Cash	Right Issue <sup>4</sup>	5,00,000
March 31, 2020	8,00,000	10	13	Cash	Right Issue <sup>5</sup>	13,00,000



March 25, 2021	6,30,000	10	14	Cash	Right Issue <sup>6</sup>	19,30,000
February 15, 2024	5,00,000	10	32	Cash	Right Issue <sup>7</sup>	24,30,000
August 31, 2024	54,67,500	10	-	Other than Cash	Bonus Issue <sup>8</sup>	78,97,500

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

Sr. No	Name of the Person	No of Shares Subscribed
1	Harsh Malpani	5,000
2	Mohit Malpani	5,000
<b>Total</b>		<b>10,000</b>

<sup>2</sup> Further Allotment on Right Basis as on January 03, 2018 of 40,000 Equity Shares of face value of ₹. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Harsh Malpani	20,000
2.	Mohit Malpani	20,000
<b>Total</b>		<b>40,000</b>

<sup>3</sup> Further Allotment on Right Basis as on March 07, 2018 of 2,50,000 Equity Shares of face value of ₹. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Harsh Malpani	1,05,000
2.	Mohit Malpani	1,05,000
3.	Deepak Malpani HUF	20,000
4.	Hirendra Malpani HUF	20,000
<b>Total</b>		<b>2,50,000</b>

<sup>4</sup> Further Allotment on Right Basis as on August 05, 2019 of 2,00,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Deepak Malpani HUF	31,909
2.	Hirendra Malpani HUF	31,909
3.	Sonal malpani	50,727
4.	Rohit malpani	25,456
5.	Mohit Malpani HUF	21,818
6.	Rohit Malpani HUF	38,181
<b>Total</b>		<b>2,00,000</b>

<sup>5</sup> Further Allotment on Right Basis as on March 31, 2020 of 8,00,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Harsh Malpani	65,000
2.	Deepak Malpani HUF	8,091
3.	Hirendra Malpani HUF	8,091
4.	Sonal Malpani	40,273
5.	Rohit Malpani	34,544
6.	Mohit Malpani HUF	8,182
7.	Rohit Malpani HUF	1,819
8.	Vishnukanta Malpani	60,000
9.	Sunita Malpani	1,98,000
10.	Hemlata Malpani	1,96,000

11.	Deepak Malpani	90,000
12.	Hirendra Malpani	90,000
<b>Total</b>		<b>8,00,000</b>

- <sup>6</sup> Further Allotment on Right Basis as on March 25, 2021 of 6,30,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Harsh Malpani	70,000
2.	Mohit Malpani	1,35,000
3.	Rohit Malpani	25,000
4.	Deepak Malpani	2,00,000
5.	Hirendra Malpani	2,00,000
<b>Total</b>		<b>6,30,000</b>

- <sup>7</sup> Further Allotment on Right Basis as on February 15, 2024 of 5,00,000 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Harsh Malpani	61,500
2.	Mohit Malpani	60,000
3.	Sonal Malpani	60,000
4.	Rohit Malpani	80,000
5.	Sunita Malpani	40,000
6.	Hemlata Malpani	40,000
7.	Harshita Malpani	78,500
8.	Rini Malpani	80,000
<b>Total</b>		<b>5,00,000</b>

- <sup>8</sup> Further Allotment on Bonus Issue in the ratio of (9:4) as on August 31, 2024 of 54,67,500 Equity Shares of face value of Rs. 10 each fully paid up at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Harsh Malpani	11,31,750
2	Mohit Malpani	11,50,875
3	Deepak Malpani HUF	1,35,000
4	Hirendra Malpani HUF	1,35,000
5	Sonal Malpani	3,39,750
6	Rohit Malpani	9,91,125
7	Mohit Malpani HUF	67,500
8	Rohit Malpani HUF	90,000
9	Sunita Malpani	1,30,500
10	Hemlata Malpani	2,18,250
11	Deepak Malpani	2,48,625
12	Hirendra Malpani	3,37,500
13	Harshita Malpani	2,89,125
14	Rini Malpani	2,02,500
<b>Total</b>		<b>54,67,500</b>

## 2. Equity Shares Issued for consideration other than cash:

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

Date of Allotment	No. of Total Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Name of Allottees	No. of Shares Allotted	Nature of Allotment / Reason	Benefit Accrued
August 31, 2024	54,67,500	10	N. A.	Harsh Malpani	11,31,750	Bonus Issue in the ratio of (9:4) i.e. 9 Equity Shares for 4 existing Equity Shares	Capitalisation of Reserves and Retaining interest of the Shareholders
				Mohit Malpani	11,50,875		
				Deepak Malpani HUF	1,35,000		
				Hirendra Malpani HUF	1,35,000		
				Sonal Malpani	3,39,750		
				Rohit Malpani	9,91,125		
				Mohit Malpani HUF	67,500		
				Rohit Malpani HUF	90,000		
				Sunita Malpani	1,30,500		
				Hemlata Malpani	2,18,250		
				Deepak Malpani	2,48,625		
				Hirendra Malpani	3,37,500		
				Harshita Malpani	2,89,125		
Rini Malpani	2,02,500						

- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.
- Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Red Herring Prospectus at a price lower than the Issue price except other than below:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Promoter/ Promoter Group
August 31, 2024	54,67,500	10	N.A.	Consideration other than cash	Bonus Issue in the ratio of (9:4) i.e. 9 Equity Shares for 4 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Harsh Malpani	11,31,750	Promoter
						Mohit Malpani	11,50,875	Promoter
						Deepak Malpani HUF	1,35,000	Promoter Group
						Hirendra Malpani HUF	1,35,000	Promoter Group
						Sonal Malpani	3,39,750	Promoter Group
						Rohit Malpani	9,91,125	Promoter
						Mohit Malpani HUF	67,500	Promoter Group
						Rohit Malpani HUF	90,000	Promoter Group
						Sunita Malpani	1,30,500	Promoter Group
						Hemlata Malpani	2,18,250	Promoter Group

						Deepak Malpani	2,48,625	Promoter Group
						Hirendra Malpani	3,37,500	Promoter Group
						Harshita Malpani	2,89,125	Promoter Group
						Rini Malpani	2,02,500	Promoter Group

**7. Our Shareholding Pattern:**

The shareholding pattern of our company in accordance with Regulation 31 of SEBI (LODR) Regulations, 2015, as on September 13, 2024:

**i. Summary of Shareholding Pattern:**

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying 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 (XIV)
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group*	14	78,97,500	0	0	78,97,500	100.00	78,97,500	100.00	0	0	0	0	0	0	78,97,500
(B)	Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
	<b>TOTAL</b>	<b>14</b>	<b>78,97,500</b>	<b>0</b>	<b>0</b>	<b>78,97,500</b>	<b>100</b>	<b>78,97,500</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>78,97,500</b>

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

\*As per Benpos dated September 13, 2024 all the category is wrongly shown as public instead of Promoter & Promoter Group.

## 8. The shareholding pattern before and after the Issue:

Sr. No.	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
<b>(i) Promoters</b>					
1.	Harsh Malpani	16,34,750	20.70	16,34,750	[●]
2.	Mohit Malpani	16,62,375	21.05	16,62,375	[●]
3.	Rohit Malpani	14,31,625	18.13	14,31,625	[●]
	<b>TOTAL (A)</b>	<b>47,28,750</b>	<b>59.88</b>	<b>47,28,750</b>	<b>30.90</b>
<b>(ii) Promoter Group</b>					
4.	Deepak Malpani Huf	1,95,000	2.47	1,95,000	[●]
5.	Hirendra Malpani Huf	1,95,000	2.47	1,95,000	[●]
6.	Sonal Malpani	4,90,750	6.21	4,90,750	[●]
7.	Mohit Malpani Huf	97,500	1.23	97,500	[●]
8.	Rohit Malpani Huf	1,30,000	1.65	1,30,000	[●]
9.	Sunita Malpani	1,88,500	2.39	1,88,500	[●]
10.	Hemlata Malpani	3,15,250	3.99	3,15,250	[●]
11.	Deepak Malpani	3,59,125	4.55	3,59,125	[●]
12.	Hirendra Malpani	4,87,500	6.17	4,87,500	[●]
13.	Harshita Malpani	4,17,625	5.29	4,17,625	[●]
14.	Rini Malpani	2,92,500	3.70	2,92,500	[●]
	<b>TOTAL (B)</b>	<b>31,68,750</b>	<b>40.12</b>	<b>31,68,750</b>	<b>[●]</b>
<b>(iii) Public</b>					
	IPO	-	-	Upto 30,00,000	[●]
<b>(iv)</b>	<b>TOTAL (C)</b>	<b>31,68,750</b>	<b>40.12</b>	<b>[●]</b>	<b>[●]</b>
<b>(v)</b>	<b>TOTAL (A+B+C)</b>	<b>78,97,500</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

## 9. Details of Major Shareholders

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

Sr. No.	Name of share holder	No. of Shares	% of Pre Issue Shares Capital
1.	Harsh Malpani	16,34,750	20.70
2.	Mohit Malpani	16,62,375	21.05
3.	Rohit Malpani	14,31,625	18.13
4.	Deepak Malpani HUF	1,95,000	2.47
5.	Hirendra Malpani HUF	1,95,000	2.47
6.	Sonal Malpani	4,90,750	6.21
7.	Mohit Malpani HUF	97,500	1.23
8.	Rohit Malpani HUF	1,30,000	1.65
9.	Sunita Malpani	1,88,500	2.39
10.	Hemlata Malpani	3,15,250	3.99
11.	Deepak Malpani	3,59,125	4.55
12.	Hirendra Malpani	4,87,500	6.17
13.	Harshita Malpani	4,17,625	5.29
14.	Rini Malpani	2,92,500	3.70
<b>TOTAL</b>		<b>78,97,500</b>	<b>100.00</b>

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

Sr. No.	Name of share holder	No. of Shares	% of Pre Issue Shares Capital
1.	Harsh Malpani	16,34,750	20.70
2.	Mohit Malpani	16,62,375	21.05
3.	Rohit Malpani	14,31,625	18.13
4.	Deepak Malpani HUF	1,95,000	2.47
5.	Hirendra Malpani HUF	1,95,000	2.47
6.	Sonal Malpani	4,90,750	6.21
7.	Mohit Malpani HUF	97,500	1.23
8.	Rohit Malpani HUF	1,30,000	1.65
9.	Sunita Malpani	1,88,500	2.39
10.	Hemlata Malpani	3,15,250	3.99
11.	Deepak Malpani	3,59,125	4.55
12.	Hirendra Malpani	4,87,500	6.17
13.	Harshita Malpani	4,17,625	5.29
14.	Rini Malpani	2,92,500	3.70
<b>TOTAL</b>		<b>78,97,500</b>	<b>100.00</b>

- iii. List of Shareholder holding 1.00% or more of the paid-up capital of the company one years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Pre Issue Shares Capital
1.	Harsh Malpani	2,65,000	13.73
2.	Mohit Malpani	2,65,000	13.73
3.	Rohit Malpani	85,000	4.40
4.	Deepak Malpani HUF	60,000	3.11
5.	Hirendra Malpani HUF	60,000	3.11
6.	Sonal Malpani	91,000	4.72
7.	Mohit Malpani HUF	30,000	1.55
8.	Rohit Malpani HUF	40,000	2.07
9.	Sunita Malpani	1,98,000	10.26
10.	Hemlata Malpani	1,96,000	10.16
11.	Deepak Malpani	2,90,000	15.03
12.	Hirendra Malpani	2,90,000	15.03
13.	Deepak Malpani Family Trust	60,000	3.11
<b>TOTAL</b>		<b>19,30,000</b>	<b>100.00</b>

- iv. List of Shareholder holding 1.00% or more of the paid-up capital of the company two years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Pre Issue Shares Capital
1.	Harsh Malpani	2,65,000	13.73
2.	Mohit Malpani	2,65,000	13.73
3.	Rohit Malpani	85,000	4.40
4.	Deepak Malpani HUF	60,000	3.11
5.	Hirendra Malpani HUF	60,000	3.11
6.	Sonal Malpani	91,000	4.72
7.	Mohit Malpani HUF	30,000	1.55
8.	Rohit Malpani HUF	40,000	2.07
9.	Sunita Malpani	1,98,000	10.26



10.	Hemlata Malpani	1,96,000	10.16
11.	Deepak Malpani	2,90,000	15.03
12.	Hirendra Malpani	2,90,000	15.03
13.	Deepak Malpani Family Trust	60,000	3.11
<b>TOTAL</b>		<b>19,30,000</b>	<b>100.00</b>

1. As on date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
2. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

### 3. Share Capital Build-up of our Promoters & Lock-in:

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

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post Issue	
<b>(A) Harsh Malpani</b>									
February 03, 2017	Subscriber to MOA	Cash	5,000	5,000	10	10	0.06	[●]	[●]
January 03, 2018	Right Issue	Cash	20,000	25,000	10	10	0.25	[●]	[●]
March 07, 2018	Right Issue	Cash	1,05,000	1,30,000	10	10	1.33	[●]	[●]
March 31, 2020	Right Issue	Cash	65,000	1,95,000	10	13	0.82	[●]	[●]
March 25, 2021	Right Issue	Cash	70,000	2,65,000	10	14	0.89	[●]	[●]
February 15, 2024	Right Issue	Cash	61,500	3,26,500	10	32	0.78	[●]	[●]
May 11, 2024	Transfer by way of Gift from Deepak Malpani	Other than Cash	73,500	4,00,000	10	0	0.93	[●]	[●]
August 29, 2024	Transfer by way of gift from Hemlata Malpani	Other than Cash	1,03,000	5,03,000	10	0	1.30	[●]	[●]
August 31, 2024	Bonus Issue	Other than Cash	11,31,750	16,34,750	10	0	14.33	[●]	[●]
	<b>TOTAL (A)</b>		<b>16,34,750</b>				<b>20.70</b>	[●]	

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post Issue	
<b>(B) Mohit Malpani</b>									
February 03, 2017	Subscriber to MOA	Cash	5,000	5,000	10	10	0.06	[●]	[●]
January 03, 2018	Right Issue	Cash	20,000	25,000	10	10	0.25	[●]	[●]
March 07, 2018	Right Issue	Cash	1,05,000	1,30,000	10	10	1.33	[●]	[●]
March 25, 2021	Right Issue	Cash	1,35,000	2,65,000	10	14	1.71	[●]	[●]
February 15, 2024	Right Issue	Cash	60,000	3,25,000	10	32	0.76	[●]	[●]
May 11, 2024	Transfer by way of Gift from Hirendra Malpani	Other than Cash	75,000	4,00,000	10	0	0.95	[●]	[●]
August 29, 2024	Transfer from Deepak Malpani	Cash	51,500	4,51,500	10	64	0.65	[●]	[●]
August 29, 2024	Transfer from Deepak Malpani Family Trust	Cash	60,000	5,11,500	10	64	0.76		
August 31, 2024	Bonus Issue	Other than Cash	11,50,875	16,62,375	10	0	14.57	[●]	[●]
	<b>TOTAL (B)</b>		<b>16,62,375</b>				<b>21.05</b>	[●]	[●]
<b>(C) Rohit Malpani</b>									
August 05, 2019	Right Issue	Cash	25,456	25,456	10	11	0.32	[●]	[●]
March 31, 2020	Right Issue	Cash	34,544	60,000	10	13	0.44	[●]	[●]
March 25, 2021	Right Issue	Cash	25,000	85,000	10	14	0.32	[●]	[●]
February 15, 2024	Right Issue	Cash	80,000	1,65,000	10	32	1.01	[●]	[●]
May 11, 2024	Transfer by way of Gift from Hirendra Malpani	Other than cash	55,000	2,20,000	10	0	0.70	[●]	[●]
May 11, 2024	Transfer by way of Gift from Sunita Malpani	Other than cash	1,80,000	4,00,000	10	0	2.28	[●]	[●]
August 05, 2019	Transfer from Deepak Malpani	Cash	40,500	4,40,500	10	64	0.51	[●]	[●]
August 31, 2024	Bonus Issue	Other than cash	9,91,125	14,31,625	10	0	12.55	[●]	[●]
	<b>TOTAL (C)</b>		<b>14,31,625</b>				<b>18.13</b>	[●]	[●]

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

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

Date Of transaction	Name of the Promoter/Director/ Promoter Group	Purchased /sold/ Nature of transaction	No of shares
May 11, 2024	Harsh Malpani	Purchase (by way of Gift from Deepak Malpani)	73,500
	Mohit Malpani	Purchase (by way of Gift from Hirendra Malpani)	75,000
	Rohit Malpani	Purchase (by way of Gift from Hirendra Malpani)	55,000
	Rohit Malpani	Purchase (by way of Gift from Sunita Malpani)	1,80,000
	Harshita Malpani	Purchase (by way of Gift from Hemlata Malpani)	36,000
	Harshita Malpani	Purchase (by way of Gift from Deepak Malpani)	14,000
	Sunita Malpani	Sold (by way of Gift to Rohit Malpani)	(1,80,000)
	Hemlata Malpani	Sold (by way of Gift to Harshita Malpani)	(36,000)
	Deepak Malpani	Sold (by way of Gift to Harsh Malpani)	(73,500)
	Deepak Malpani	Sold (by way of Gift to Harshita Malpani)	14,000
	Hirendra Malpani	Sold (by way of Gift to Rohit Malpani)	55,000
	Hirendra Malpani	Sold (by way of Gift to Mohit Malpani)	(75,000)
August 29, 2024	Harsh Malpani	Purchase (by way of Gift from Hemlata Malpani)	1,03,000
	Mohit Malpani	Purchase from Deepak Malpani Family Trust	60,000
	Mohit Malpani	Purchase from Deepak Malpani	51,500
	Rohit Malpani	Purchase from Deepak Malpani	40,500
	Rini Malpani	Purchase (by way of Gift from Hirendra Malpani)	10,000
	Deepak Malpani Family Trust	Sold to Mohit Malpani	(60,000)
	Hemlata Malpani	Sold (by way of Gift)	(1,03,000)
	Deepak Malpani	Sold to Rohit Malpani	(40,500)
	Deepak Malpani	Sold to Mohit Malpani	(51,500)
	Hirendra Malpani	Sold (by way of Gift to Rini Malpani)	(10,000)
August 31, 2024	Harsh Malpani	Bonus Issue Allotment	11,31,750
	Mohit Malpani		11,50,875
	Deepak Malpani HUF		1,35,000
	Hirendra Malpani HUF		1,35,000
	Sonal malpani		3,39,750
	Rohit malpani		9,91,125
	Mohit Malpani HUF		67,500
	Rohit Malpani HUF		90,000
	Sunita Malpani		1,30,500
	Hemlata Malpani		2,18,250
	Deepak Malpani		2,48,625
	Hirendra Malpani		3,37,500
	Harshita Malpani		2,89,125
	Rini Malpani		2,02,500

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

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Harsh Malpani	16,34,750	3.12
2.	Mohit Malpani	16,62,375	7.37
3.	Rohit Malpani	14,31,625	4.35

#### 5. Lock in of Promoters:

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

*Explanation: The expression “date of commencement of commercial production” means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.*

*In our case, the company is going to utilize proceeds of issue towards existing projects of the company. Therefore, Minimum Promoters’ Contribution shall be locked for a period of 3 years from date of allotment in Initial Public Offer.*

- b) The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018. Our Company has obtained written consent from our Promoters for the lock-in of [●] Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoter contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In connection, we confirm the following.
- The equity shares offered for minimum 20% promoters’ contribution have not been acquired in the preceding three years before the date of Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters’ contribution;
  - The minimum promoters Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
  - All the Equity Shares held by the Promoters / members of the Promoters’ Group are already in dematerialized form as on date of this Draft Red Herring Prospectus.
  - The minimum promoters Contribution does not include Equity shares pledged with any creditor.

#### **Equity Shares of Promoters locked-in for one year**

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

#### **Details of Shares of Promoters lock in for One Year**

Sr no	Name of Promoter	Shares for Period of Lock in
1.	Harsh Malpani	[●]
2.	Mohit Malpani	[●]
3.	Rohit Malpani	[●]

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue. Accordingly, 31,68,750 Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue.

**Transferability of Lock-in securities:**

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

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

**Other requirements in respect of 'lock-in'**

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

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

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

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

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

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

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees

under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

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

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

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

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

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

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

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

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

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

Except Directors who are Key Managerial Person, None of our Key Managerial person holds any Equity Shares in our Company.

As on the date of this Draft Red Herring Prospectus, our Company has 14 Shareholders.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present Public Issue up to 30,00,000 Equity Shares at an issue price of [●] per Equity Share.

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

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

(Collectively referred to as “Objects”)

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

### Net Proceeds

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

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

### Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for plant and machineries	350.00
2.	Repayment of Debt	1700.00
3.	General corporate purposes	[●]
<b>Total utilization of net proceeds</b>		[●]

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

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

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “Risk Factors” beginning on page. 21 of this Draft Red Herring Prospectus.

### Schedule of implementation and Deployment of Net Proceeds

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

(₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2024-25
1.	Capital Expenditure for plant and machineries	350.00	Nil	350.00
2.	Repayment of Loan	1700.00	Nil	1700.00
3.	General corporate purposes <sup>1</sup>	[●]		[●]
	<b>Total</b>	[●]		[●]

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

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

### Means of Finance

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

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

### DETAILS OF THE OBJECTS OF THE ISSUE

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

The business of our Company is growing and we achieved a growth rate of 70.96 % in Financial Year 2024 as compared to Financial Year 2023 and growth of 136.21 % in Financial Year 2023 as compared to Financial Year 2022. As on March 31, 2024, the aggregate gross block value of our Company's property, plant and equipment including capital work in progress was ₹ 1241.81 lakhs. Our Company had spent ₹410.93 lakhs in the year ended on March 31, 2024, ₹127.43 lacs in Financial Year 2023, and ₹ 471.49 lakhs in Financial Year 2022 for acquiring the plant and machineries. The capital expenditure towards equipment is of recurring nature and on an ongoing basis, we invest in the procurement of capital equipment, which is utilized by us in carrying out our business, we intend to enhance our execution capacity and therefore propose to utilize ₹350.00 lakhs towards purchasing capital equipment, based on our current estimates. The specific number and nature of such equipment to be purchased by our Company will depend on our business requirements and the details of our capital equipment to be purchased from the Net Proceeds which will be suitably updated at the time of filing of the Draft Red Herring Prospectus with the RoC.

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



Sr. No.	Particulars of Machinery	Name of Supplier	Quantity	Price (including GST) (₹ in lakhs)	Date of Quotation	Validity
1.	High Speed HDPE and MDPE Pipe Machine (NE /250/20-200 PE Machine)	Nilkanth Engitech Private Limited	1	139.24	August 16, 2024	6 Months
2.	High Speed HDPE and MDPE Pipe Machine (NE /250/20-200 PE Machine)	Nilkanth Engitech Private Limited	1	143.96	August 16, 2024	6 Months
3.	Twin screw Extruder BEX-2-65-22V for RPVC Pipe	Kabra Extrusionstechnik Limited	1	66.65	August 20, 2024	180 Days
<b>Total</b>				<b>349.85</b>		
<b>Say</b>				<b>350.00</b>		

### 1) REPAYMENT OF DEBT

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

As on March 31, 2024, the amount outstanding under our secured loan facilities was ₹ 2491.87 lakhs. We propose to utilise an estimated amount of 1700.00 lakhs from the Net Proceeds towards re-payment or pre-payment of borrowings availed by our Company in full or in part. The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favorable debt-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise further resources at competitive rates and additional funds or capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of certain borrowings, in part or in full, would not exceed ₹1700.00 lakhs.

The following table provides details of certain borrowings availed by our Company, which are outstanding as on August 31, 2024, which are currently proposed to be re-paid or pre-paid, in full or in part, to the extent of 1,700.00 lakhs from the Net Proceeds:

Sr. No.	Name of the Lender	Nature of Borrowings	Sanctioned Amount	Outstanding as on August 31, 2024	Purpose for which the loan has been used	Brief Term & Condition	
						Rate of Interest	Repayment Terms
1.	ICICI Bank Limited	Cash Credit (Sub Limit Letter of Credit of Rs. 1000.00)	1300.00	1300.00	To meet working capital requirement	The rate of interest for each drawal of the Facility will be stipulated by the Bank at the time of disbursement of each drawal, which shall be sum of the Repo Rate*+	Repayable on Demand
2.	ICICI Bank Limited	Bank Guarantee (Performance)	30.00	23.00	-		Repayable on Demand
3.	ICICI Bank Limited	Letter of credit	1125.0	707.06	To provide guarantee to supplier in relation to import		Repayable on Demand
4.	ICICI	Rupee Term	27.5	16.99	To meet		21 Months

	Bank Limited	Loan			working capital requirement	Spread per annum, plus applicable statutory levy, if any (Interest Rate). The applicable Repo Rate shall be the rate prevailing one Business Day preceding the date of each drawal. As on date the Repo Rate is 6.50% and Spread is 2.40%.	
5.	Yes Bank Limited	Cash Credit	500.00	500.00	To meet working capital requirement	Effective Rate of Interest (ROI) is 9.25% p.a. which is 2.75% (Spread / Markup) over and above External Benchmark Lending Rate.	Repayable on Demand
6.	Yes Bank Limited	Working Capital Demand Loan – FCY (Sub Limit of Cash Credit)	400.00	-	Not utilized	The interest rate shall be linked to the Repo Rate as published by RBI and notified by YBL	Repayable on Demand
7.	Yes Bank Limited	Import Financing (Sub Limit of Cash Credit)	400.00	-	Not utilized	ARR+2.75%	78 Months
8.	SIDBI	Term Loan	187.62	129.78	For purchase of plant and machinery	2.15 % above Repo Rate rising or falling therewith from time to time	Repayable on Demand
9.	SIDBI	Term Loan	284.00	193.00	For purchase of plant and machinery	2.15 % above Repo Rate rising or falling	78 Months

						therewith from time to time	
10.	SIDBI	Term Loan	490.29	483.27	For purchase of plant and machinery	2.00 % above Repo Rate rising or falling therewith from time to time	54 Months
11.	ICICI Bank Limited	Vehicle Loan	18.35	13.05	For Car Acquisition	8.40 %	60 Months
12.	ICICI Bank Limited	Vehicle Loan	19.50	9.03	For Car Acquisition	7.60 %	60 Months
13.	Oxyzo Financial Services Limited	Purchase Financing	150.00	143.35	To meet payment obligation towards supplier	16.45% (OBLR + Spread) p.a.	90 days from the date of each Draw Down
14.	ICICI Bank Limited	Cash Credit (Temporary OD)	60.00	17.09	To meet working capital requirement	14.10% p.a. with additional interest 2% p.a. if defaulted	30 days from the grant of the OD
<b>Total</b>				<b>3,535.64/-</b>			

Statutory Auditor of our Company K A R M A & CO. LLP, Chartered Accountants, pursuant to their certificate dated 11, September, 2024 UDIN:24129149BKEBSJ7023 have certified the utilization of the above-mentioned borrowings for the purposes for which such borrowings were availed.

### 3. General corporate purposes

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

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

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

#### Issue Related Expenses

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

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

#### Notes

1. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular)	₹ 10 per application on wherein shares are allotted <b>Selling Commission</b> Portion for RIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup> Portion for NIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup>
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	₹ 10 per application on wherein shares are allotted <b>Selling Commission</b> Portion for RIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup> Portion for NIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup>
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹10 per application on wherein shares are allotted <b>Selling Commission</b> Portion for RIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup> Portion for NIIs 0.01% or ₹ 100/- whichever is less <sup>^</sup>
Sponsor Bank shall be payable processing fees on UPI application processed by them	<b>Selling Commission</b> ₹ 5 per application on wherein shares are allotted Selling Commission ₹ 5 per application on wherein shares are allotted

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

#### Interim use of Net Proceeds

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

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

#### Bridge Financing Facilities

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

#### Appraisal Report

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

### **Monitoring Utilization of Funds**

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

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

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

### **Variation in Objects**

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

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

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

### **Other Confirmation**

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

## BASIS FOR ISSUE PRICE

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

Investors should refer sections / chapters titled “*Risk Factors*”, “*Restated Financial Statements*”, “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business Overview*” beginning on page 21, 142, 180 and 91 respectively of this Draft Red Hearing Prospectus to get an informed view before making an investment decision.

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

### Qualitative Factors

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

1. Wide Geographical Reach
2. Strategically located manufacturing facilities with a core focus on quality
3. Diversified product mix
4. Our Quality
5. Experienced Promoter and strong management team

For further details, please refer to the paragraph titled “*Competitive Strengths*” in the chapter titled “*Business Overview*” beginning on page 91 of this Draft Red Hearing Prospectus.

### Quantitative Factors

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

#### 1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Weights	Basic and Diluted EPS (Pre Bonus)	Basic and Diluted EPS (Post Bonus)
March 31, 2022	1	4.61	1.20
March 31, 2023	2	10.78	2.81
March 31, 2024	3	37.17	9.37
<b>Weightage Average EPS</b>	<b>6</b>	<b>22.95</b>	<b>5.82</b>

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

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

Particulars	P/E at the lower end of the price band	P/E at the upper end of the price band
P/E ratio based on Basic and diluted EPS as at March 31, 2024	[●]	[●]
P/E ratio based on Weighted Average Basic and diluted EPS	[●]	[●]
<b>Industry</b>		
Highest		50.13
Lowest		21.14
Average		35.64

### 3) Return on Net worth (RoNW)

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

Year Ended	RONW (%)	Weight
March 31, 2022	23.67	1
March 31, 2023	35.65	2
March 31, 2024	50.07	3
<b>Weighted Average</b>		<b>40.86</b>

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

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

### 4) Net Asset Value (NAV)

Particulars	₹ per share
Net Asset Value per Equity Share as of March 31, 2024	60.80
Net Asset Value per Equity Share before IPO (after bonus issue)	18.71
Net Asset Value per Equity Share after IPO	[●]
Issue Price	[●]
<b>NAV Post Issue</b>	
- At Floor Price	[●]
- At Cap Price	[●]
- Issue Price	[●]

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

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

### 5) Comparison with industry peers

(₹ in Lakhs)

Companies#	CMP*	EPS	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Revenue from Operation	Other Income	Total Income (₹ in Lakhs)
Malpani Pipes and Fittings Limited	[●]**	37.17	[●]	50.07	60.80	10.00	14,096.18	20.05	14,116.23
<b>Peer Group</b>									
Aik Pipes and Polymers Limited	141.45	6.69	21.14	15.56	34.46	10.00	3,727.25	10.23	3,737.48
Kriti Industries (India) Ltd	216.55	4.32	50.13	13.99	30.32	1.00	86,662.61	337.59	87,000.20

\*CMP as on September 03, 2024

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

# Amount taken from Restated Financials as on March31, 2024

Source: <https://www.bseindia.com>

#### Notes:

- a) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.

- b) The figures for Malpani Pipes and Fittings Limited are based on the restated standalone financial statements for the year ended March 31, 2024.
- c) The figures are based on the Standalone financial statements for the year ended March 31, 2024 of Aik Pipes and Polymers Limited and Kriti Industries (India) Ltd from the Annual reports of the Companies available from the website of the Stock Exchange and website of the Companies.  
CMP of the peer group is as per the closing price as available on <https://www.bseindia.com>
- d) P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on September 03, 2024 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.

### Key Performance Indicators (“KPIs”)

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

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

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 11, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time since Incorporation to the date of filing of this Draft Red Hearing Prospectus. Further, the KPIs herein have been certified by statutory auditor.

### Financial KPI of our Company

(₹ in Lakhs)

Sr No.	Metric	As of and for the Fiscal		
		March 31, 2024	March 31, 2023	March 31, 2022
1.	Total Income	14,096.18	8,245.09	3,490.58
2.	Current Ratio	1.31	1.22	1.20
3.	Debt Equity ratio	2.04	3.36	2.39



4.	EBITDA	1,329.04	441.31	188.72
5.	Operating EBITDA Margin (%)	9.41	5.34	5.40
6.	PAT	739.72	208.04	89.06
7.	PAT Margin (%)	5.25	2.52	2.55
8.	Return on Equity ratio (%)	71.52	43.35	26.64
9.	Return on Capital Employed (%)	21.74	12.78	10.66

As certified by the Statutory Auditor vide their certificate dated September 11, 2024 bearing UDIN: 24129149BKEBSC4075.

**Notes:**

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

**Comparison of key performance indicators with Peer Group Companies**

(₹ in Lakhs)

Sr No	Key Performance Indicators	Malpani Pipes and Fittings Limited	Aik Pipes And Polymers Limited	Kriti Industries (India) Ltd
1	Total Income	14,096.18	3737.48	87000.20
2	Current Ratio	1.31	3.04	1.19
3	Debt Equity Ratio	2.04	0.23	0.89
4	EBDITA	1,329.04	468.06	6285.27
5	Operating EBDITA Margin (%)	9.41	12.52	7.22
6	PAT	739.72	341.16	2,103.98
7	Net profit Ratio (%)	5.25	9.13	2.42
8	Return on Equity (%)	71.52	24.79	15.00
9	Return on Capital Employed (%)	21.74	22.97	27.62

Key Performance Indicators are as on March 31, 2024.

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

- The price per share of our Company based on the primary / new issue of shares  
Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the paidup share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)

Our Company has issued any Equity Shares or convertible securities or employee stock options during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our 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, details of the same is provided below:

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)*
February 15, 2024	500000	10	22.00	Right Issue	Cash	1,10,00,000

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

Price per share of Issuer Company based on secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the DRHP / RHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer 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 .

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this prospectus , where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**(c) Weighted average cost of acquisition, floor price and cap price**

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price ₹[•]	Cap Price ₹[•]
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our 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	22.00	[•]	[•]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or shareholder(s) having the	64.00	[•]	[•]

<p>right to nominate director(s) in our Board 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 five per cent of the fully diluted paid-up share capital of our 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</p>			
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\*Statutory Auditor of our Company K A R M A & CO. LLP, Chartered Accountants, pursuant to their certificate dated 11, September, 2024 UDIN:24129149BKEBSK9007 have certified Weighted average cost of acquisition for Primary and Secondary Issuance.

**(d) Explanation for Issue Price / Cap Price being ₹[●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 5 above) along with our Company's key performance indicators and financial ratios for the Financial Years ended March 31, 2024, 2023 and 2022.**

**(e) Explanation for Issue Price / Cap Price being ₹[●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 5 above) in view of the external factors which may have influenced the pricing of the Issue.**

Planning and implementation of irrigation projects to enhance physical access of water on farms lies in the domain of the state governments while central government provides technical and financial assistance for the identified irrigation projects to supplement their efforts under its ongoing schemes. The quantum of central grants released to the states from 2016 to 2023 under different components of PMKSY include:

- Rs. 18,727.78 crore (~US\$ 2.25 billion) under Accelerated Irrigation Benefit Programme (AIBP), which focuses on the simultaneous implementation of Command Area Development (CAD) and Water Management (WM) initiatives.
- Rs. 4,010.32 crore (~US\$ 481.7 million) under Har Khet Ko Pani initiative, which involves the surface minor irrigation and repair, renovation, and restoration of water bodies.
- Rs. 764.89 crore (~US\$ 91.9 million) for the promotion of groundwater development.
- Rs. 18,714.69 crore (US\$ 2.24 billion) under the Per Drop More Crop component, focusing on efficient water usage in agriculture.
- Rs. 9,559.07 crore (~US\$ 1.15 billion) under the watershed development component, essential for sustainable water resource management.

According to the Economic Survey 2019-20, micro-irrigation had proven to be a technology that gained popularity among farmers in India. A stronger push and appropriate fund allocation towards the Pradhan Mantri Krishi Sinchayee Yojana has helped the government achieve a coverage of 84.45 lakh hectares under the micro irrigation and 10.52 lakh hectares under other interventions (SWMA) during 2015-2023. Additionally, the government has also set up an online portal for the entire process execution and visibility, encouraging more investments by prospective competitors.

(Source: <https://www.ibef.org/government-schemes/pradhan-mantri-krisi-sinchayee-yojana>)

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation.

The corridors would further assist in integrating, monitoring, and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

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

Our company was honoured as one of the “**Top 10 Irrigation Equipment Manufacturers - 2024**” by Industry Outlook. Since our inception in 2017, we have grown significantly from starting with just two machines for pipe manufacturing. We now operate 10 production lines with a total installed capacity of 11,500 M.T.P.A. and have expanded our product range to include MDPE, LLDPE, Sprinkler Pipes, and more.

We distribute our products to both wholesalers and retailers. Additionally, we supply pipes for government projects through authorised contractors involved in local, state or federal development scheme. Also, we supply pipes to farmers in terms of farmer welfare policies launched by Central or State Government.

We have a dedicated in-house testing facility to ensure our products adhere to stringent quality standards. Additionally, in case of supply to any government project or under some welfare policy to farmers, we are required to get our products test from third part laboratories. These agencies include the Central Institute of Petrochemicals Engineering & Technology (CIPET), SGS, Bureau Veritas, Dr. Amin Controllers Pvt. Ltd., Rail India Technical and Economic Service, and Certification Engineers International Limited (CEIL). This verification process is a mandatory requirement set by the government.

Our pipes are engineered to meet a wide range of applications, including irrigation, potable water supply, sewerage, and drainage systems. They are also well-suited for boreholes and tube wells for underground water extraction. Furthermore, our pipes support infrastructure projects such as the installation of long-distance electrical cables and optical fibers.

## STATEMENT OF TAX BENEFIT

To,  
The Board of Directors  
Malpani Pipes and Fittings Limited  
65-A, Sector B Industrial Area,  
Ratlam, Madhya Pradesh, India-457001,  
(CIN: U25209MP2017PLC042337)

Dear Sir,

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

We report that regarding the special tax benefits available to Company and its shareholders under Income Tax Act 1961 read with Income Tax Rules, Circulars, Notifications as amended by the Finance Act, 2024, presently in force in India. Such benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. We hereby report that, based on the discussion with the management of the company, there is no possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 as specifically stated hereunder: -

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

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

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

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

This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

We do not assume responsibility to update the views, consequence to such change. We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

**For, K A R M A & CO. LLP**  
**Chartered Accountants**  
**Firm Reg. No: 127544W/W100376**

**Sd/-**  
**CA Jignesh A Dhaduk**  
**Designated Partner**  
**Mem. No: 129149**  
**UDIN: 24129149BKEBRZ7600**

**Place: Ahmedabad**  
**Date: 11<sup>th</sup>, September, 2024**

## SECTION V – ABOUT THE COMPANY

### INDUSRTY OVERVIEW

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

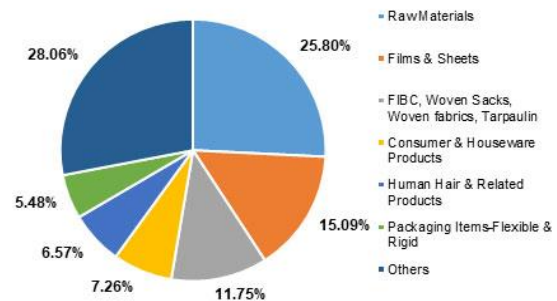
Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 21 and 142, respectively of the Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 21 of the Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

### INDIAN PLASTICS INDUSTRY AND EXPORTS

#### Introduction

The Indian plastic industry is one of the leading sectors in the country's economy. The history of the plastic industry in India dates back to 1957 with the production of polystyrene. Since then, the industry has made substantial progress and has grown rapidly. The industry is present across the country and has more than 2,500 exporters. It employs more than 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises. India manufactures various products such as plastics and linoleum, houseware products, cordage, fishnets, floor coverings, medical items, packaging items, plastic films, pipes, raw materials, etc. The country majorly exports plastic raw materials, films, sheets, woven sacks, fabrics, and tarpaulin. The Government of India intends to take the plastic industry from a current level of Rs. 3 lakh crores (US\$ 37.8 billion) of economic activity to Rs. 10 lakh crores (US\$ 126 billion) in 4-5 years.

**India's product-wise share of plastics exports (2023-24\*)**



Note: \*Until February 2024  
Source: The Plastics Export Promotion Council of India (PLEXCONCIL)

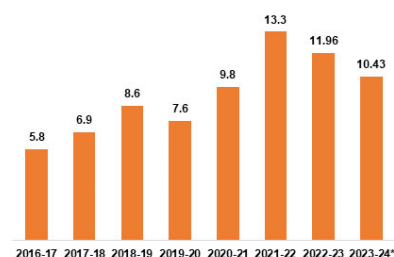
10 Plastic Parks have been approved in the country by The Department of Chemicals and Petrochemicals. Among these, six plastic parks have received final approval from the following states –Madhya Pradesh (two parks), Assam (one park), Tamilnadu (one park), Odisha (one park), and Jharkhand (one park). These parks are intended to boost employment and attain environmentally sustainable growth.

#### EXPORT TREND

In FY24 (Until February 2024), India's plastic exports stood at US\$ 10.43 billion. During this period, the exports of human hair & related products, medical items, plastic pipes and FRP & composites grew by 12.7%, 8.9%, and 13.8%, respectively, over the same period last year.

In February 2024, the exports of Floorcoverings, leathercloth & Laminates witnessed a growth of 19.7%.

**India's plastics and linoleum exports (US\$ billion)**



Note: \*Until February 2024  
Source: DGCI&S, PLEXCONCIL

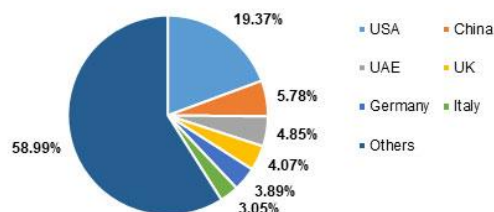


The cumulative exports of plastics and related materials during 2022-23 were valued at US\$ 11.96 billion. This was a 10.4% decrease from the 2021-22 exports valued at US\$ 13.35 billion. Plastic raw materials were the largest exported category and constituted 27.76% of the total exports in 2022-23; it recorded a growth of 21.5% over the previous year. Plastic films and sheets were the second largest category, comprising 15.13% of the total exports, but declined by 10.6% over the previous year.

## EXPORT DESTINATIONS

India exports plastic to more than 200 countries in the world. The top five consumer and houseware product importing countries are the USA, Germany, Japan, the UK, and France. India largely exports plastic and related products to the USA, China, the UAE, the UK, Germany, Italy, Bangladesh, etc. The total value of exports to the USA, the largest consumer of the Indian plastic industry, stood at US\$ 2.31 billion in 2022-23, a decrease of 4.71% YoY. China was the second largest consumer of plastic export products from India and the total value of exports stood at US\$ 690.95 million. The USA and China constituted 19.37%, and 5.78%, of the total plastic exports in 2022-23.

Country-wise share in exports of plastic products during 2022-23



Source: PLEXCONCIL

The total plastic exports from India to France during 2022-23 was around US\$ 211.4 million. In order to boost exports to France and Europe, PLEXCONCIL collaborated with the Indo-French Chamber in the first quarter of 2021-22. The Minister for Commerce and Industry, Mr. Piyush Goyal, recently urged industry to adopt international standards to help it expand its global footprint. India has recently signed a free-trade agreement with UAE and Australia, which will give the plastics industry new opportunities.

## GOVERNING BODY

### The Plastic Export Promotion Council (PLEXCONCIL)

PLEXCONCIL was established by the Ministry of Commerce and Industry in 1955. The main objective of this non-profit organization is to highlight India as a reliable supplier of high-quality products. PLEXCONCIL is the apex body of the plastics industry in the country and represents more than 2,500 exporters who manufacture and trade plastics products ranging from plastic raw materials to semi-finished and finished items.



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

## IRRIGATION IN INDIA

Efficient utilization of available water resources is crucial for a country like, India, which shares 17% of the global population with only 2.4% of land and 4% of the water resources. Further, per capita availability in terms of average utilizable water resources, which was 5247 m<sup>3</sup> in 1951 (presently 1453 m<sup>3</sup>) is expected to dwindle down to 1170 m<sup>3</sup> by 2050 (CWC, 2015). Agricultural sector alone consumes 80% of the ground water (Harsha, 2017). The declining trend of groundwater level in all parts of the country also indicates that the assured supply of good quality water will become a concern for country's development (Manivannan et al., 2017). The overall efficiency of the flood irrigation

system range between 25-40% (Amarasinghe, 2007). Overall, micro irrigation shows superiority over other traditional irrigation methods in term of water use efficiency, energy saving, yield increase and net return per unit volume of groundwater (Kumar and Palanisami, 2010; Chandrakanth et al., 2013). To meet the food security, income and nutritional needs of the projected population in 2050, the food production in India will have to be almost doubled. The groundwater table can be improved with construction of various artificial conservation practices and improve crop productivity (Paul and Panigarhi, 2016). All these emphasize the need for water conservation and improvement in water-use efficiency to achieve More Crops per Drop. The paper is organized as follows. Firstly, the



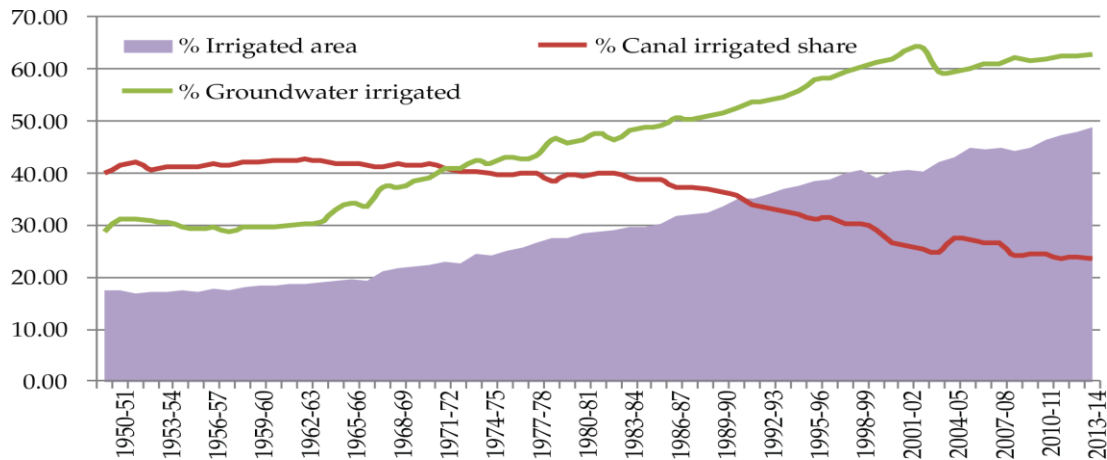
paper presents status of irrigation in India followed by challenges of irrigation systems in India. The paper also highlights various schemes of irrigation and availability of surface and ground water. Lastly, we discuss various options to overcome these challenges, government initiations for efficient water management in agriculture followed by conclusion.

Irrigation is main consumer of fresh water and more than 90 per cent of groundwater draft in India. Growing population coupled with food security has put extra pressure on water resources. Country has reached a situation where the demand of water from various sector of economy is rapidly increasing while the supply of fresh water constant. Additionally, water overuse harms the environment by increased salinity, nutrient pollution, and the degradation and loss of flood plains and wetlands. Owing to poor water resource management system and climate change India faces a persistent water shortage.

Spatial and temporal variation of precipitation has been boundless varying maximum in Cherrapunji (>11000mm) to lowest western Rajasthan (<100 mm). In India, annual precipitation is nearly 4000 BCM and average flow of rivers is estimated to be 1869 BCM. But nearly 75% of rainfall occurs during monsoon season (June-Sept), which restricted utilizable quantum of surface water to 690 BCM. Total annual replenishable groundwater potential in the country estimated to be 433 BCM in which rainfall contribute 74% in groundwater recharge and the rest is contributed by canal, pond and other water conservation practices. With an annual groundwater draft of 253 BCM, irrigation alone consumes nearly 91% of total draft irrigating 62% of total irrigated area of the country (CGWB, 2017). But groundwater development is not uniform across the country.

Net irrigated area (%) of India has increased from nearly 18 to 48% in recent times due to government interventions at various levels (Fig. 1). Although government has given much emphasis on improving canal system in various five-year plans but it has declined over years (Fig. 1). People have identified groundwater irrigation as much reliable and independent source of irrigation. Groundwater irrigation has taken quantum jump since 1965.

Fig. 1



➤ **Government Initiatives on Irrigation Management**

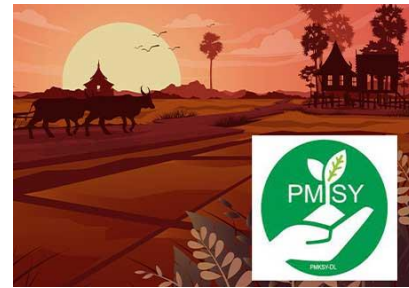
Water Management organizations like Central Water Commission (CWC) for promoting integrated and sustainable development for management of water resources and Central Ground Water Board (CGWB) for management of ground water resources were established. CWC and CGWB have formulated “General Guidelines for Water Audit and Water Conservation”. These guidelines have been circulated to all the state governments, concerned central ministries, and other utilities for framing their own specific guidelines. Following these guidelines, some of the state governments such as Punjab, Gujarat and Maharashtra are offering subsidy on irrigation related aspects.

(Source: [https://krishi.icar.gov.in/jspui/bitstream/123456789/34362/1/irrigation\\_rajni\\_preprint.pdf](https://krishi.icar.gov.in/jspui/bitstream/123456789/34362/1/irrigation_rajni_preprint.pdf))

## **PRADHAN MANTRI KRISHI SINCHAYEE YOJANA (PMKSY)**

### **Brief Introduction of The Policy**

On July 1, 2015, the Pradhan Mantri Krishi Sinchayee Yojana (Pradhan Mantri Krishi Sinchai Yojana) was launched to expand cultivated area with assured irrigation and reduce wastage of water in the country. The scheme focuses on creating sources-protective irrigation by harnessing rainwater at a micro level through 'Jal Sanchay' and 'Jal Sinchan'. Micro irrigation is also incentivised through subsidies to ensure 'Per Drop More Crop'.



### **Need for the policy**

Water or irrigation is the most essential part of agriculture as it determines crop yield and farmer livelihood. Prior to the Pradhan Mantri Krishi Sinchayee Yojana, 54% of the agricultural land in India was unirrigated and farmers depended on rainwater (which is sporadic) for irrigation. Keeping this in mind, Prime Minister Mr. Narendra Modi launched the Pradhan Mantri Krishi Sinchayee Yojana to solve irrigation problems of farmers in the country. The motive of the scheme is to take irrigation water to every agricultural field in the country.

### **Policy Details**

Pradhan Mantri Krishi Sinchayee Yojana has been formed by amalgamating ongoing schemes such as the Accelerated Irrigation Benefit Programme (AIBP), River Development & Ganga Rejuvenation, Integrated Watershed Management Programme (IWMP) and On-farm Water Management (OFWM).

Pradhan Mantri Krishi Sinchayee Yojana is supervised and monitored by an Inter-ministerial National Steering Committee (NSC), which was constituted under the Prime Minister and some Union Ministers. A National Executive Committee (NEC) was constituted under the Vice Chairman of NITI Aayog to oversee programme implementation, resource allocation, inter-ministerial coordination, monitoring & performance assessment, administrative issues, etc.

Objectives of the Pradhan Mantri Krishi Sinchayee Yojana includes the following:

- Achieve convergence of investments in irrigation at the field level (preparation of district-level and if required, subdistrict-level water use plans)
- Enhance physical access of water on the farm and expand cultivable area under assured irrigation (Har Khet ko Pani)
- Integrate water source, distribution, and its efficient use to make the best use of water through appropriate technologies and practices
- Optimise farm water use (and reduce wastage) and increase availability (duration and extent)
- Enhance adoption of precision irrigation and other water-saving technologies (Per Drop More Crop)
- Enhance recharging of aquifers and introduce sustainable water-conservation practices
- Ensure integrated development of rainfed areas using the watershed approach towards conserving soil and water, regenerating ground water, arresting runoff, providing livelihood options and other NRM activities
- Promote extension activities pertaining to water harvesting, water management and crop alignment for farmers and grassroot-level field functionaries
- Explore the feasibility of reusing treated municipal wastewater for peri-urban agriculture
- Attract more private investments in irrigation

### **Accelerated Irrigation Benefits Programme (AIBP)**

The AIBP was launched by the central government in 1996 to aid major and mid-sized irrigation projects in India. The objective was to accelerate implementation of projects beyond the resource capability of states or in the advanced stages of completion. After 2015, the AIBP became a part of the Pradhan Mantri Krishi Sinchayee Yojana. Since its inception, 297 irrigation/multi-purpose projects have been included for funding under AIBP. Out of this, 143 projects have been completed and 5 projects were foreclosed. Completion of 60 ongoing major/medium projects

under AIBP and 85 under CAD&WM, has been targeted during 2021-26. Also, funding of two national projects, Lakhwar and Renuka, has also been approved. Through these projects, creation of 13.88 lakh hectare irrigation potential under AIBP and 30.23 lakh cultivable command area coverage under CAD&WM has been anticipated during 2021-26.

### **Command Area Development & Water Management Programme (CAD&WM)**

The main objective of the Command Area Development & Water Management Programme is to enhance utilisation of irrigation potential created and improve agriculture productivity and production on a sustainable basis through integrated and coordinated approach involving multidisciplinary teams. The programme has been restricted to the projects prioritised under the AIBP.

### **Surface Minor Irrigation (SMI)**

Surface Minor Irrigation (SMI) schemes with irrigation potential less than 2,000 hectares are included under the AIBP for providing central assistance. The scheme has been extended to an area covering drought-prone areas, flood-prone areas, tribal, left-wing extremist and the Koraput, Bolangir and Kalahandi (KBK) region of Odisha.

### **Repair, Renovation & Restoration (RRR) Programme**

In India, tanks, ponds, and lakes play an important role in conserving water to meet the various needs of communities. The Ministry of Water Resources launched the Repair, Renovation & Restoration (RRR) scheme for water bodies in 2005. The scheme was sanctioned in respect of 1098 water bodies in 26 districts of 15 States with a target to create 0.78 lakh ha. of additional irrigation potential. Under the programme, 3,341 water bodies have been covered at an estimated cost of Rs. 1,309.16 crore (~US\$ 174.69 million) with culturable command area (CCA) of 3.094 lakh ha. Under the scheme of RRR of water bodies with external assistance, 10887 water bodies have been covered at an estimated cost of Rs. 3,700 crore (~US\$ 493.72 million) with CCA of 8.25 lakh ha. in four states viz. Odisha, Karnataka, Andhra Pradesh, and Tamil Nadu.

### **Har Khet ko Pani**

The Har Khet ko Pani scheme includes creation of new water sources through minor irrigation repair, restoration, and renovation of water bodies; strengthening of the carrying capacity of traditional water sources; construction of rainwater harvesting structures (Jal Sanchay); development of ground water; and improvement of the water management and distribution systems.

### **Per Drop More Crop**

The Per Drop More Crop (PDMC) scheme includes promoting efficient water conveyance and precision water application devices such as drips, sprinklers, pivots and rain guns in farms, constructing micro irrigation structures to supplement source-creation activities including tube wells and dug wells, installing water lifting devices such as diesel/electric/solar pump sets, building capacity training and awareness campaigns including low-cost publications, empowering extension workers to disseminate relevant technologies under the PMKSY only after requisite training is provided to them, especially in the area of promotion of scientific moisture conservation and agronomic measures and information communication technology (ICT) interventions. An area of 83.06 lakh hectare has been covered under micro irrigation in the country under PDMC from 2015-16 to 2023-24 (till December 2023), with an amount of Rs. 18,714.69 crore (~US\$ 2.24 billion) released as a central assistance to the states.

### **Watershed Development**

Watershed development includes management of runoff water and improved soil and moisture- conservation activities such as ridge area treatment, drainage line five treatment, rainwater harvesting, in-situ moisture conservation and other allied activities on watershed basis. During 2015-2023, under Watershed Development component of PMKSY, 14,966 water harvesting structures have been created/ rejuvenated, and an additional area of about 18,033 hectares has been brought under irrigation in West Bengal.

## **Pradhan Mantri Krishi Sinchayee Yojana - Key Developments**

- In October 2020, the Union Minister of State for Waterpower and Social Justice and Empowerment launched a mobile application including information about the work being done under the Pradhan Mantri Krishi Sinchayee Scheme.
- In October 2020, the Assam state government launched the Kisan Rath (fruits & vegetables) mobile application to facilitate timely selling of agricultural products by promoting the buyer-seller network.

## **Pradhan Mantri Krishi Sinchayee Yojana – Key Investments**

- In October 2023, the Cabinet Committee on Economic Affairs, chaired by Prime Minister Mr. Narendra Modi, approved the inclusion of the Jamrani Dam Multipurpose Project in Uttarakhand under the Pradhan Mantri Krishi Sinchayee Yojana-Accelerated Irrigation Benefit Programme (PMKSY-AIBP). The project is estimated to cost Rs. 2,584.10 crore (~US\$ 310.7 million) and will receive central support of Rs. 1,557.18 crore (~US\$ 187.2 million) for completion by March 2028. The project involves constructing a dam across the river Gola, a tributary of the river Ram Ganga, situated in Nainital district. It aims to augment irrigation across 57,065 hectares in Uttarakhand and Uttar Pradesh, along with generating 14 MW of hydro power and providing 42.70 million cubic meters of drinking water to Haldwani and nearby areas.
- In March 2021, the Maharashtra state government allocated Rs. 400 crore (~US\$ 53.37 million) for various irrigation development corporations for completing various irrigation projects under the Pradhan Mantri Krishi Sinchayee Yojana and Baliraja Sanjeevani Yojana.
- In February 2021, the Agriculture and Farmers' Welfare Ministry announced plan to spend half of the budget allocation of Rs. 1,31,531 crore (~US\$ 17.55 billion) on the Pradhan Mantri Krishi Sinchayee Yojana for FY 2021-22.
- In November 2020, the Union Ministry of Agriculture & Farmers Welfare approved subsidised loans worth Rs. 3,971.31 crore (~US\$ 529.93 million) for implementing micro-irrigation projects.
- In June 2020, the Department of Agriculture Cooperation and Farmer's Welfare announced an allotment of Rs. 4,000 crore (~US\$ 533.76 million) to the state government to implement the 'Per Drop More Crop' component under the Pradhan Mantri Krishi Sinchayee Yojana for FY 2020-21.

## **CONCLUSION**

Planning and implementation of irrigation projects to enhance physical access of water on farms lies in the domain of the state governments while central government provides technical and financial assistance for the identified irrigation projects to supplement their efforts under its ongoing schemes. The quantum of central grants released to the states from 2016 to 2023 under different components of PMKSY include:

- Rs. 18,727.78 crore (~US\$ 2.25 billion) under Accelerated Irrigation Benefit Programme (AIBP), which focuses on the simultaneous implementation of Command Area Development (CAD) and Water Management (WM) initiatives.
- Rs. 4,010.32 crore (~US\$ 481.7 million) under Har Khet Ko Pani initiative, which involves the surface minor irrigation and repair, renovation, and restoration of water bodies.
- Rs. 764.89 crore (~US\$ 91.9 million) for the promotion of groundwater development.
- Rs. 18,714.69 crore (US\$ 2.24 billion) under the Per Drop More Crop component, focusing on efficient water usage in agriculture.
- Rs. 9,559.07 crore (~US\$ 1.15 billion) under the watershed development component, essential for sustainable water resource management.

According to the Economic Survey 2019-20, micro-irrigation had proven to be a technology that gained popularity among farmers in India. A stronger push and appropriate fund allocation towards the Pradhan Mantri Krishi Sinchayee Yojana has helped the government achieve a coverage of 84.45 lakh hectares under the micro irrigation

and 10.52 lakh hectares under other interventions (SWMA) during 2015-2023. Additionally, the government has also set up an online portal for the entire process execution and visibility, encouraging more investments by prospective competitors.

(Source: <https://www.ibef.org/government-schemes/pradhan-mantri-krisi-sinchayee-yojana>)

## HAR GAR JAL SCHEME BY INDIAN GOVERNMENT

To further improve the ‘quality of life’ and enhanced ‘ease of living’ in rural areas by making a provision of assured tap water supply to every rural household in the country by 2024, Hon’ble Prime Minister announced Jal Jeevan Mission (JJM) – Har Ghar Jal on 15th August, 2019. Since then, JJM is being implemented in partnership with States.

It is all about assured service delivery in terms of potable tap water supply to every home and public institution like schools, AWCs, ashramshalas, PHC, CHC, community centres, wellness centres, GP building, etc. JJM aims at developing the capacity of local village community to achieve long-term drinking water security.

Given the implementation of the high impact Jal Shakti Schemes across villages, it is planned to launch a campaign to get testimonials from beneficiaries and citizens about these schemes and ways in which they have benefited from them.

(Source: <https://innovateindia.mygov.in/har-ghar-jal/>)

## MANUFACTURING SECTOR IN INDIA

Manufacturing is emerging as an integral pillar in the country’s economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India’s GDP pre-pandemic and is projected to be one of the fastest growing sectors.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub. With 17% of the nation’s GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy’s output come from manufacturing by 2025.

### Market Size

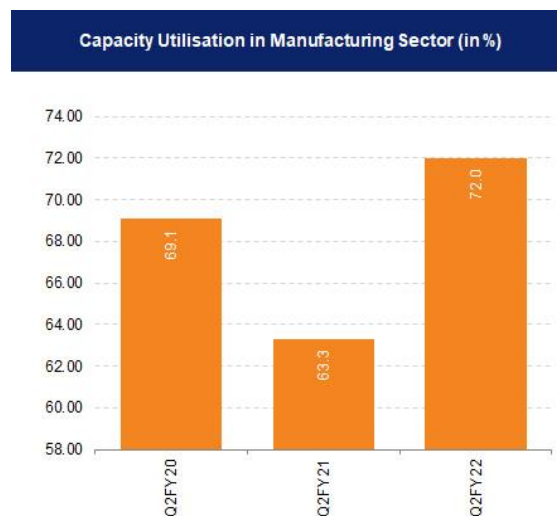
Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India’s gross value added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

India's e-commerce exports are projected to grow from US\$ 1 billion to US\$ 400 billion annually by 2030, aiding in achieving US\$ 2 trillion in total exports.

India's GDP surged by 8.4% in the October-December quarter, surpassing expectations. GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025-26.



India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy.

As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

### **Road Ahead**

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury, and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation.

The corridors would further assist in integrating, monitoring, and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

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

## BUSINESS OVERVIEW

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

The following information should be read together with more detailed financial and other information included in Draft Red Herring Prospectus, including the information contained in the chapter titled “Risk Factors”, “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 21, 142 and 180 respectively.

### Overview

Malpani Pipes & Fittings Limited, an ISO 9001:2015 certified company based in Ratlam, Madhya Pradesh, manufactures a range of high-grade plastic pipes. Our products include High-Density Polyethylene (HDPE) Pipes, Medium-Density Polyethylene (MDPE) Pipes, and Linear Low-Density Polyethylene (LLDPE) Pipes, all marketed



under the brand name **volstar**. The company is also engaged in the trading of granules and PVC pipes, as well as the sale of services.

We have manufacturing plant located in central India i.e. Ratlam, Madhya Pradesh. Our plant is well equipped with essential machinery, infrastructure, and an in-house testing facility, which ensures that our product conforms to the requisite standards.

Our company was honoured as one of the “**Top 10 Irrigation Equipment Manufacturers - 2024**” by Industry Outlook. Since our inception in 2017, we have grown significantly from starting with just two machines for pipe manufacturing. We now operate 10 production lines with a total installed capacity of 11,500 M.T.P.A. and have expanded our product range to include MDPE, LLDPE, Sprinkler Pipes, and Drip Pipes.

We distribute our products to both wholesalers and retailers. Additionally, we supply pipes for government projects through authorised contractors involved in local, state or federal development scheme. Also, we supply pipes to farmers in terms of farmer welfare policies launched by Central or State Government.

We have a dedicated in-house testing facility to ensure our products adhere to stringent quality standards. Additionally, in case of supply to any government project or under some welfare policy to farmers, we are required to get our products tested from third part laboratories. These agencies include the Central Institute of Petrochemicals Engineering & Technology (CIPET), SGS, Bureau Veritas, Dr. Amin Controllers Pvt. Ltd., Rail India Technical and Economic Service, and Certification Engineers International Limited (CEIL). This verification process is a mandatory requirement set by the government.

Our pipes are engineered to meet a wide range of applications, including irrigation, potable water supply, sewerage, and drainage systems. They are also well-suited for boreholes and tube wells for underground water extraction. Furthermore, our pipes support infrastructure projects such as the installation of long-distance electrical cables and optical fibers.



## Industries Served:



IRRIGATION



TELECOMMUNICATION



INFRA



HOUSING



INDUSTRIAL

## HDPE, MDPE and LLDPE are three types of polyethylene pipes, each with distinct properties and applications. Here's a breakdown of their differences:

### ❖ HDPE Pipes:

- **Density and Structure:** HDPE pipes are made from high-density polyethylene, which has a linear structure with minimal branching. This results in a high-density arrangement of polymer chains.
- **Strength and Durability:** HDPE pipes are known for their strength, durability, and resistance to impact and abrasion. They can withstand high pressure and are resistant to many chemicals.
- **Applications:** Commonly used for water supply, sewage systems, gas distribution, and industrial applications. Due to their robustness, they are also used in mining and civil construction.
- **Temperature Resistance:** Generally suitable for temperatures up to 60°C (140°F).
- **Diameters:** HDPE pipes are available in diameters from 20 mm to 500 mm. This range also includes Sprinkler Pipes specifically designed for agricultural and drip irrigation systems, which come in diameters from 63 mm to 110 mm.

### ❖ MDPE Pipes:

- **Density and Structure:** MDPE pipes have a density between HDPE and LDPE, with a slightly branched molecular structure. This makes them less dense and more flexible than HDPE but not as strong.
- **Strength and Durability:** MDPE pipes offer good impact resistance and are less rigid compared to HDPE. They are more resistant to stress cracking than LDPE but less so than HDPE.
- **Applications:** Often used for gas distribution and water mains where flexibility and impact resistance are important. They are also used in situations where pipes need to be less rigid.
- **Temperature Resistance:** Suitable for temperatures up to around 60°C (140°F).
- **Diameters:** Available in diameters ranging from 20 mm to 500 mm.

### ❖ LLDPE Pipes:

- **Density and Structure:** LLDPE pipes have a lower density compared to HDPE, with a more branched molecular structure. This gives them greater flexibility and elongation properties.



- **Strength and Durability:** LLDPE pipes are highly flexible and have good impact resistance, but they are generally not as strong or rigid as HDPE pipes. They also have a good resistance to environmental stress cracking.
- **Applications:** Commonly used for irrigation, drainage, and other applications where flexibility and resistance to punctures are important. They are not typically used for high-pressure applications.
- **Temperature Resistance:** Usually suitable for temperatures up to 50°C (122°F).
- **Diameters:** Includes Lateral Pipes with diameters ranging from 16 mm to 32 mm and Drip Pipes ranging from 12 mm to 16 mm.

Our Company has marketing presence in the states of Madhya Pradesh, Maharashtra, Uttar Pradesh, Gujarat, Andhra Pradesh and Rajasthan.

We distribute our products from our manufacturing unit located at Ratlam, Madhya Pradesh and also from our warehouse located at Bhiwandi and Amravati in Maharashtra.

Our esteemed clientele includes GR Infra Projects Ltd., JWIL Infra Limited, Virent Power & Projects Pvt Ltd., Bihani Constructions Private. Limited., M/s. Devendra Constructions Company, S.B.E. Engineering & Infrastructure Private Limited, M/s. Deeksha Enterprises and others.

Our Outstanding order book in terms of value of contracts was ₹ 12568.15 lakhs as on July 31, 2024, we have to operate and maintain the projects for specific period as per the terms of the Contacts.

**Mr. Rohit Malpani, our Promoter and Managing Director** oversees manufacturing operations, procurement processes, and provides strategic direction to the company. **Mr. Mohit Malpani, our Whole Time Director**, leads our distribution, marketing, and sales strategies. **Mr. Harsh Malpani, our Whole Time Director and Chief Financial Officer**, manages the Finance and Accounts department of the Company.

We have a strong track record of revenue growth and profitability. The following table sets forth certain **key performance indicators** for the years indicated:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	For the financial year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations <sup>(1)</sup>	14096.18	8245.09	3490.58
% of Growth	70.96%	136.21%	-
EBITDA <sup>(2)</sup>	1329.04	441.31	188.72
EBITDA Margin <sup>(3)</sup>	9.43%	5.35%	5.41%
Profit After Tax (PAT) <sup>(4)</sup>	739.72	208.04	89.06
PAT Margin <sup>(5)</sup>	5.25%	2.52%	2.55%
ROE <sup>(6)</sup>	71.52%	43.35%	26.64%
ROCE <sup>(7)</sup>	21.74%	12.78%	10.66%

**Notes:**<sup>(1)</sup> Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

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

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Shareholder Equity

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

**The bifurcation of product-wise revenue is as under:**

(₹ In Lakhs)

Sr. No	Product Name	2023-24	2022-23	2021-22
1.	HDPE/MDPE/LLDPE Pipe	12,432.80	7,121.71	2,661.76

2.	Micro Irrigation set (Sprinkle and Drip )	164.03	301.84	414.56
3.	Trading in Granules	1,357.98	749.06	248.85
4.	PVC Pipe	11.02	11.94	54.15
5.	Sale of Services	127.17	49.12	101.94
6.	operating income	3.18	11.42	9.32

### State wise Revenue Bifurcation

**Currently, the company focuses on PAN India, selling its products exclusively within India. The state-wise distribution of our products is as follows:**

Particulars	(₹ in Lacs)					
	2023-24	%	2022-23	%	2021-22	%
Maharashtra	3,674.83	26.08%	476.24	5.78%	256.60	7.37%
Rajasthan	898.18	6.37%	2,880.35	34.98%	1052.76	30.24%
Gujarat	253.89	1.80%	109.04	1.32%	116.18	3.34%
UP	154.02	1.09%	124.49	1.51%	551.18	15.83%
Delhi	157.31	1.12%	0	0.00%	0.00	0.00%
Punjab	0.70	0.00%	14.93	0.18%	0.32	0.01%
Telangna		0.00%	2.30	0.03%	1.38	0.04%
Karnataka		0.00%	0.16	0.00%	0.42	0.01%
Bihar	350.01	2.48%	159.91	1.94%	87.65	2.52%
Chattisgarh	1227.03	8.71%	443.09	5.38%	319.88	9.19%
Himachal		0.00%		0.00%	0.19	0.01%
Kerela		0.00%		0.00%	1.32	0.04%
Tamil Nadu		0.00%		0.00%	5.16	0.15%
Odisha	3.71	0.03%		0.00%	2.54	0.07%
MP	7,359.39	52.22%	4,022.09	48.85%	1,085.68	31.19%
Andra Pradesh	13.93	0.10%	1.07	0.01%	0	0.00%
<b>Total Revenue from operation</b>	<b>14,093.00</b>	<b>100.00%</b>	<b>8,233.67</b>	<b>100.00</b>	<b>3,481.25</b>	<b>100.00%</b>

**Note :** The above certificate is been certified by Statutory Auditor of our Company K A R M A & CO. LLP, Chartered Accountants, dated : September 11, 2024 bearing UDIN:24129149BKEBRV6973.

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

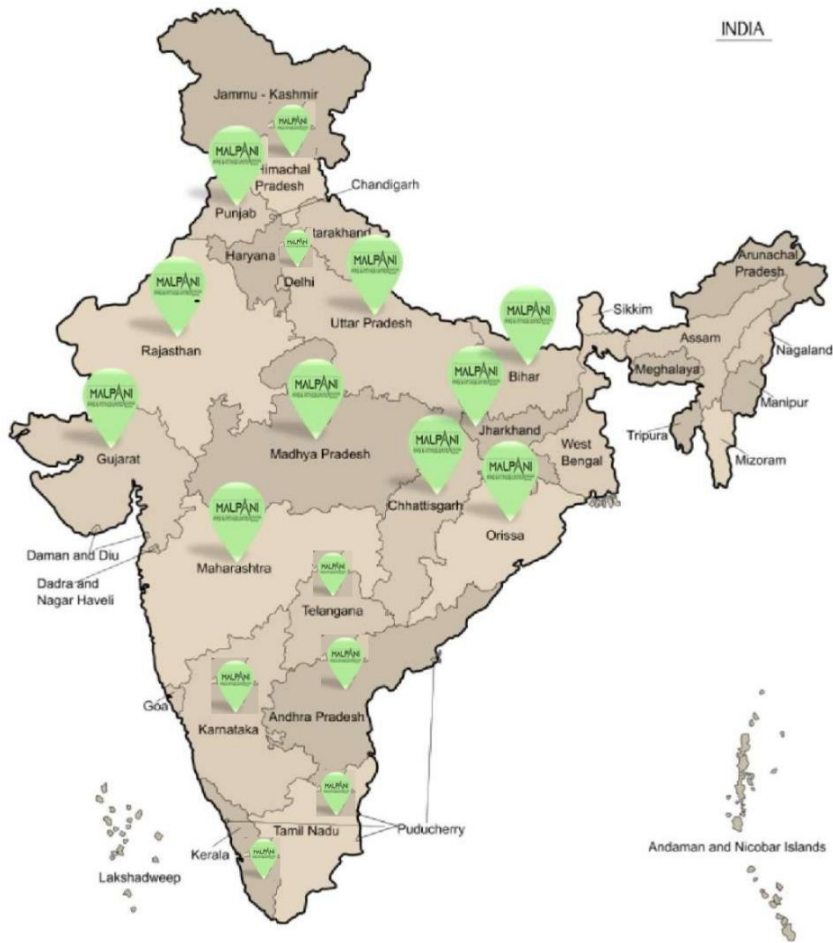
Particulars*	Purchases/Sales					
	2023-24	%	2022-23	%	2021-22	%
Top 10 Customers	7950.60	56.40	4246.62	51.50	1,778.46	50.95
Top 10 Suppliers	8225.03	58.35	4961.05	60.17	1892.84	54.23

**Note :** The above certificate is been certified by Statutory Auditor of our Company K A R M A & CO. LLP, Chartered Accountants, dated: September 11, 2024, bearing UDIN:24129149BKEBSD8223 certified for Top 10 Buyers and certificate dated: September 11, 2024 bearing UDIN:24129149BKEBSE9894 certified for Top 10 Suppliers.

### Competitive Strength:

#### **Wide Geographical Reach**

We have pan India network for distribution of our products and network of wholesalers & retailers. We sell our product in the brand name of “VOLSTAR”. Our commitments to quality products have been instrumental in lasting customer relationship. Despite not having long-term supply agreements with customer, we have continually received repeat business from many of our customers. During the last three years we supplied our products to 16 states.



### **Strategically located manufacturing facilities with a core focus on quality**

Given the substantial transportation costs associated with large pipes, proximity to end consumers is a crucial competitive advantage in the piping industry. Our manufacturing facility, strategically located in Ratlam, Madhya Pradesh, is ideally positioned in the central region of India, enabling efficient distribution to key markets including Madhya Pradesh, Rajasthan, Chhattisgarh, Maharashtra, and Gujarat. This central location ensures timely delivery and optimizes logistics, enhancing our service reliability across these significant regions.

To further bolster our distribution network and ensure our products reach even the most remote areas of India, we have established a network of strategically located warehouses in cities such as Ratlam, Bhiwandi, and Amravati. These warehouses facilitate efficient inventory management and expedite delivery to a wide array of destinations, supporting our commitment to meeting customer needs swiftly and effectively.

### **Diversified product mix**

Our company offers a diverse product range to meet the growing needs of our customers. Our product lineup includes HDPE pipes, MDPE pipes, LLDPE pipes, HDPE Sprinkler Systems and drip irrigation solutions. These products serve various sectors such as Irrigation, Telecommunications, Industrial Applications, Infrastructure, and Housing. We aim to provide our existing customers with a comprehensive source for their product needs, fostering opportunities for business expansion and attracting new clients. Additionally, our flexible manufacturing infrastructure allows us to adapt our product mix in response to market demand changes.

### **Our Quality**

Our Ratlam facility adheres to the ISO 9001:2015 quality management standards, reflecting our commitment to maintaining high-quality manufacturing practices. We operate a comprehensive in-house testing laboratory that performs rigorous assessments to ensure our products meet stringent quality requirements. The quality checks in place that prevent any defective material from reaching the customer. We believe that our quality products have earned us a goodwill from our customers, which has resulted in repeat orders from many of them.

### **Experienced Promoter and strong management team**

Our organization is led by a skilled leadership team focused on driving success and innovation. Mr. Rohit Malpani, our Promoter and Managing Director, overseeing manufacturing, procurement, and strategic growth. Mr. Mohit Malpani, Whole Time Director, leads our distribution, marketing, and sales efforts, strengthening our market presence. Mr. Harsh Malpani, Whole Time Director and CFO, manages the company's financial health, ensuring sound financial practices and growth.

Together, this leadership team, supported by seasoned mentors, combines their diverse expertise to drive our company towards sustained success, operational excellence, and continued innovation. Their extensive industry experience and strategic vision have been essential in enhancing our capabilities, improving service quality, and expanding our customer reach.

For further details relating to our Key Managerial Personnel and Senior Management Personnel, see “*Our Management – Key Managerial Personnel and Senior Management Personnel*” on page 124.

### **KEY STRATEGIES**

#### **Expansion of manufacturing facility in Ratlam, Madhya Pradesh:**

We are preparing to expand our manufacturing operations at our Ratlam facility by adding two HDPE machines, which will increase our installed capacity by approximately 3400 Metric Tons Per Annum (M.T.P.A.) and one PVC machine with our installed capacity of about 1700 M.T.P.A. We have made the provision of capital expenditure as one of the objects of the present issue.

This enhancement is a strategic move to bolster our production and meet the demand for high-quality, durable pipes. By increasing our output, we aim to effectively cater to the important sectors like agriculture, construction, and infrastructure. This move will not only improve our market position but also show our commitment to providing reliable and efficient piping solutions on a larger scale.

#### **Strategically Expansion:**

We are strategically enhancing our production capabilities by adding a total installed capacity of about 1700 M.T.P.A for PVC pipes. By incorporating PVC pipes into our product range, we aim to diversify our portfolio and better address the evolving needs of the market. This initiative not only aligns with our commitment to innovation and growth but also positions us to capture new opportunities in the construction and infrastructure sectors. The new capacity will enable us to deliver high-quality, durable piping solutions to our customers, thereby reinforcing our competitive edge and driving long-term business success.

#### **Expand the Volstar brand to new geographies**

We plan to increase sales of our Malpani Pipes products by increasing the number of wholesalers & retailers who stock our products. We plan to expand the sale of our piping products into cities where our products are not currently sold as well as consolidating our position in areas where we already have a strong presence. Our strategy is to focus on increasing the width and depth of our distribution network by increasing the number of wholesalers & retailers.



Our salespersons meet with prospective wholesalers and retailers who do not currently stock our products to encourage them to do so. Our sales persons also meet with wholesalers & retailers in areas where we do not exist to encourage them to stock our products.

## Strengthening Brand Volstar

Over the years, we have strong, lasting relationships with our customers, leading to consistent business. Many of our clients have worked with us for several years, which reflects our dedication to delivering high-quality products. Our high customer retention rates show that we consistently meet and exceed client expectations. Moving forward, we plan to strengthen these existing relationships and attract new, esteemed customers. We are dedicated to understanding our clients' specific business needs and delivering tailored solutions that meet their exacting standards.

Furthermore, our strong client relationships have significantly contributed to establishing "Volstar" as a respected brand within the polymer-based pipes industry. To build on this success, we will invest in enhancing our brand image through targeted marketing and promotional efforts. This commitment to brand development will help us to improve our market presence, increased sales, and enhance profitability.

### ➤ **PRODUCT PORTFOLIO**

Sr. No	Our Product	Particulars
1.	HDPE Pipes:	
	 	<p><b>Description:</b> High-Density Polyethylene (HDPE) is a thermoplastic polymer known for its high strength, durability, and chemical resistance, making it ideal for water supply, irrigation, and industrial piping systems. Available in sizes ranging from 20mm to 2000mm in diameter, HDPE pipes offer versatile usage for various projects, from household plumbing to large-scale infrastructure developments.</p> <p>They are classified by their pressure rating, denoted as PN values, including PN4, PN6, PN8, PN10, PN12.5, PN16, PN20, and PN25, which are selected based on the application and operating conditions. Manufactured in accordance with IS 4984:2016, these pipes adhere to stringent quality standards set by the Bureau of Indian Standards (BIS), ensuring their strength, durability, and performance. HDPE pipes can be joined using methods such as butt fusion, electro fusion, and mechanical fittings, providing leak-proof and reliable connections for a wide range of applications.</p> <p><b>Key Features:</b></p> <ul style="list-style-type: none"> <li>• High-Quality Material: HDPE Pipes Are Made From High-Density Polyethylene, A Robust And Durable Thermoplastic Polymer Known For Its High Strength And Resilience.</li> <li>• Corrosion Resistance: Unlike Metal Pipes, Hdpe Pipes Are Resistant To Corrosion And Chemical Reactions, Making Them Ideal For Transporting A Wide Range Of Fluids Without</li> </ul>





**Degradation Over Time.**

- **Longevity:** Hdpe Pipes Have A Long Service Life, Often Exceeding 50 Years, Due To Their Resistance To Environmental Stressors And Physical Wear And Tear.
- **Easy Installation:** The Flexibility And Lightweight Nature Of Hdpe Pipes Make Them Easy To Handle And Install, Reducing The Labor And Time Required For Installation Projects.
- **Low Maintenance:** Hdpe Pipes Require Minimal Maintenance Due To Their Resistance To Scale Build-Up, Corrosion, And Biological Growth, Ensuring Reliable Performance With Reduced Upkeep Costs.
- **Environmentally Friendly:** Hdpe Pipes Are Environmentally Sustainable, As They Are Fully Recyclable And Have A Lower Environmental Impact During Production And Transportation Compared To Traditional Materials Like Metal Or Concrete.

**APPLICATION:**

- **Water Supply:** HDPE pipes are widely used for potable water supply, including distribution networks, water treatment plants, and household plumbing.
- **Irrigation:** HDPE pipes are ideal for irrigation systems, offering excellent resistance to abrasion, UV radiation, and chemical fertilizers.
- **Industrial Piping:** HDPE pipes find applications in various industrial sectors, including mining, chemical processing, and wastewater management, due to their robustness and chemical resistance.



**HDPE Sprinkler Pipes:**

HDPE (High-Density Polyethylene) sprinkler pipes are specialized pipes used primarily in irrigation systems to distribute water efficiently over large agricultural fields. These pipes are designed to withstand the pressures of water distribution systems and deliver consistent water flow, which is crucial for maximizing crop yield and minimizing water wastage.

**Application:**

- **Agricultural Irrigation:** Used for watering crops, these pipes are durable, flexible and corrosion-resistant.
- **Landscaping:** Ideal for gardens, parks, and golf courses, providing efficient water distribution.
- **Sports Fields:** Irrigate football fields, baseball fields, and golf courses to maintain turf moisture.
- **Residential Irrigation:** Perfect for watering lawns, gardens, and landscapes due to their durability and flexibility.
- **Commercial and Industrial Irrigation:** Used for landscape irrigation, cooling systems, and dust suppression with minimal maintenance.
- **Greenhouses:** Efficiently water plants, resistant to chemicals and UV radiation.
- **Waste Water and Drainage Systems:** Remove excess water from fields, landscapes, and construction sites, preventing clogs and ensuring efficient drainage.

**Technical Details:**

		<ul style="list-style-type: none"> <li>• <b>Material:</b> High-Density Polyethylene (HDPE)</li> <li>• <b>Standard:</b> IS 17425:2020</li> <li>• <b>Diameter Range:</b> 63mm to 110mm</li> <li>• <b>Pressure Rating:</b> 2.5Kg Class-I and 3.2Kg Class-II</li> <li>• <b>Length:</b> Standard length is 6m (Or as required by customer)</li> <li>• <b>Color:</b> Black (Other colors available upon request)</li> <li>• <b>UV Stabilization:</b> Yes</li> </ul>
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**2. MDPE Pipes:**



**Description :**  
 MDPE (Medium-Density Polyethylene) pipes are versatile and durable piping solutions widely used in various industries. They are known for their flexibility, strength, and resistance to corrosion and chemical reactions. These pipes are primarily employed in water supply systems, gas distribution networks, and irrigation systems. MDPE pipes are suitable for both underground and above-ground applications, making them an ideal choice for modern infrastructure projects. Their smooth internal surface reduces friction, ensuring efficient fluid flow and long-term performance. Additionally, MDPE pipes adhere to stringent industry standards, ensuring high-quality and reliable operation in diverse industries.



**Application:**

- **Water Supply:** Ideal for transporting potable water safely and efficiently, making them suitable for domestic, industrial, or agricultural use.
- **Gas Distribution:** Their superior strength and leak-proof design ensure reliable and secure delivery of natural gas in gas distribution networks.
- **Irrigation Systems:** Efficiently deliver water to crops with minimal wastage, providing an optimal solution for irrigation systems.
- **Mining and Construction:** Built to withstand harsh conditions, perfect for use in mining operations and construction projects, where durability and reliability are paramount.


**3. Lateral Pipes (LLDPE)**



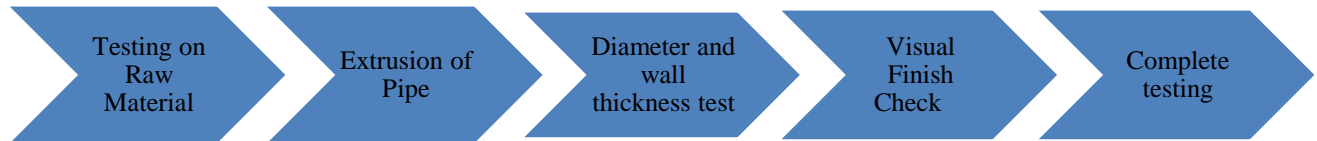
**Description :**  
 Lateral Pipes are high-quality polyethylene pipes designed for durability and efficiency in fluid transport and irrigation systems. Manufactured using premium-grade HDPE material, these pipes offer exceptional resistance to corrosion, UV exposure, and environmental stress, ensuring long-lasting performance. They adhere to IS 12786:1989 standards, guaranteeing consistent quality. Key features include superior strength, flexibility for easy installation, low friction loss for efficient fluid flow, and precision-engineered, leak-proof joints, making them a cost-effective solution for various applications.

**Applications:**

- **Irrigation Systems:** Efficiently distributing water to crops in agricultural settings.
- **Water Supply:** Suitable for potable water distribution in residential, commercial, and industrial environments.

		<ul style="list-style-type: none"> <li>• <b>rainage Systems:</b> Effective in managing drainage and waste across various settings.</li> </ul>
<b>4. Drip Irrigation Pipes:</b>		
		<p><b>Description :</b> Designed to deliver water directly to the root zone of plants, these pipes ensure precise and efficient irrigation. They help conserve water by minimizing evaporation and runoff, making them ideal for agricultural, horticultural, and commercial applications. Drip irrigation pipes support sustainable farming practices by enhancing water use efficiency and promoting healthier plant growth.</p> <p><b>Application:</b></p> <ul style="list-style-type: none"> <li>• <b>Agriculture:</b> Ideal for field crops, orchards, vineyards, nurseries, and greenhouses.</li> <li>• <b>Horticulture:</b> Perfect for gardens, landscaping, and flower beds.</li> <li>• <b>Commercial:</b> Suitable for golf courses, sports fields, and public parks</li> </ul> <p><b>Key features:</b></p> <ul style="list-style-type: none"> <li>• <b>Longevity and Reliability:</b> Constructed from UV-resistant materials to ensure durability in harsh conditions.</li> <li>• <b>Consistent Water Flow:</b> Anti-clogging emitters maintain uniform irrigation by preventing blockages.</li> <li>• <b>Ease of Installation and Maintenance:</b> Simple setup and upkeep save time and effort.</li> <li>• <b>Versatility:</b> Suitable for a wide range of crops, including fruits, vegetables, cereals, and cash crops.</li> </ul>

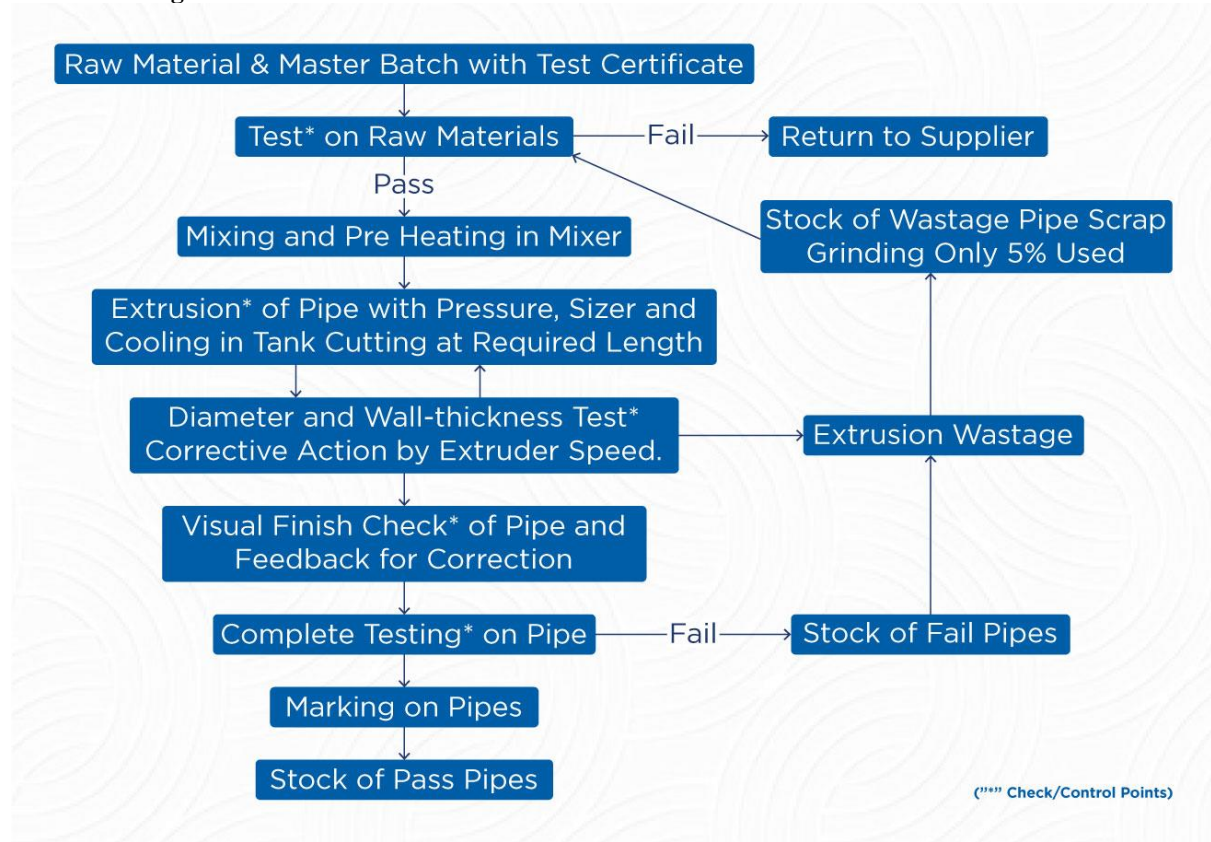
**Manufacturing Process:**



- **Testing on Raw Material**  
Raw Material & Master Batch is tested with certificate, if it passes then pre heating and mixing is done in mixer but if it fails the test then it is returned to the supplier.
- **Extrusion on Pipe**  
Pipes are extruded with pressure, sizer and cooling is done in tank cutting at required length.
- **Diameter and wall thickness test**  
Corrective action by extruder speed is taken.
- **Visual Finish Check**  
Visual finish check of pipes is done and feedback for any correction is given.
- **Complete Testing:**  
Complete testing of pipes is done if it passes then marking on pipes is done and stock of pass pipes is kept, but if fails the test again testing is done from start.



**Manufacturing Process Flow Chart:**

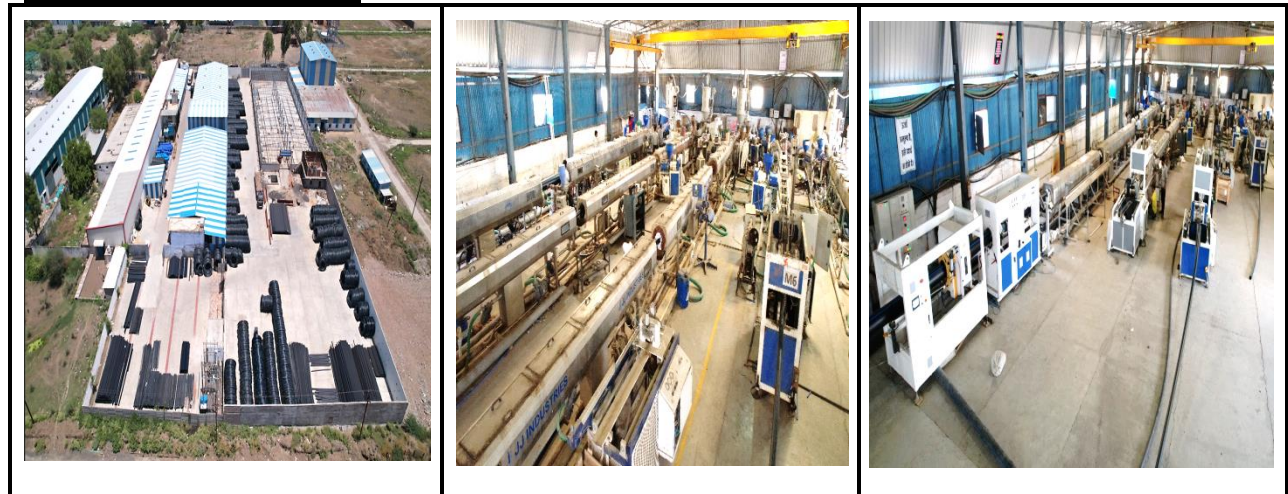


**Installed capacity and Capacity Utilization:**

Year	Annual Capacity in M.T.	Utilized Capacity in M.T.	% Utilisation
2021-22	5,565	2,640	47.44%
2022-23	9,600	5,945	61.93%
2023-24	9,600	9,280	96.67%

\*As Certified by the Chartered Engineer dated : August 23, 2024 by Jayant Bohra & Co., bearing Registration No.: Chartered Engineer, AM-83054/5, M- 1364051

**Our Manufacturing Facilities**



## Machineries Installed

Extrusion Line (Upto 355 MM)



Extrusion Line (Upto 200 MM)



Auto Coiler (to coil the pipes MDPE HDPE) For upto 110 MM pipes



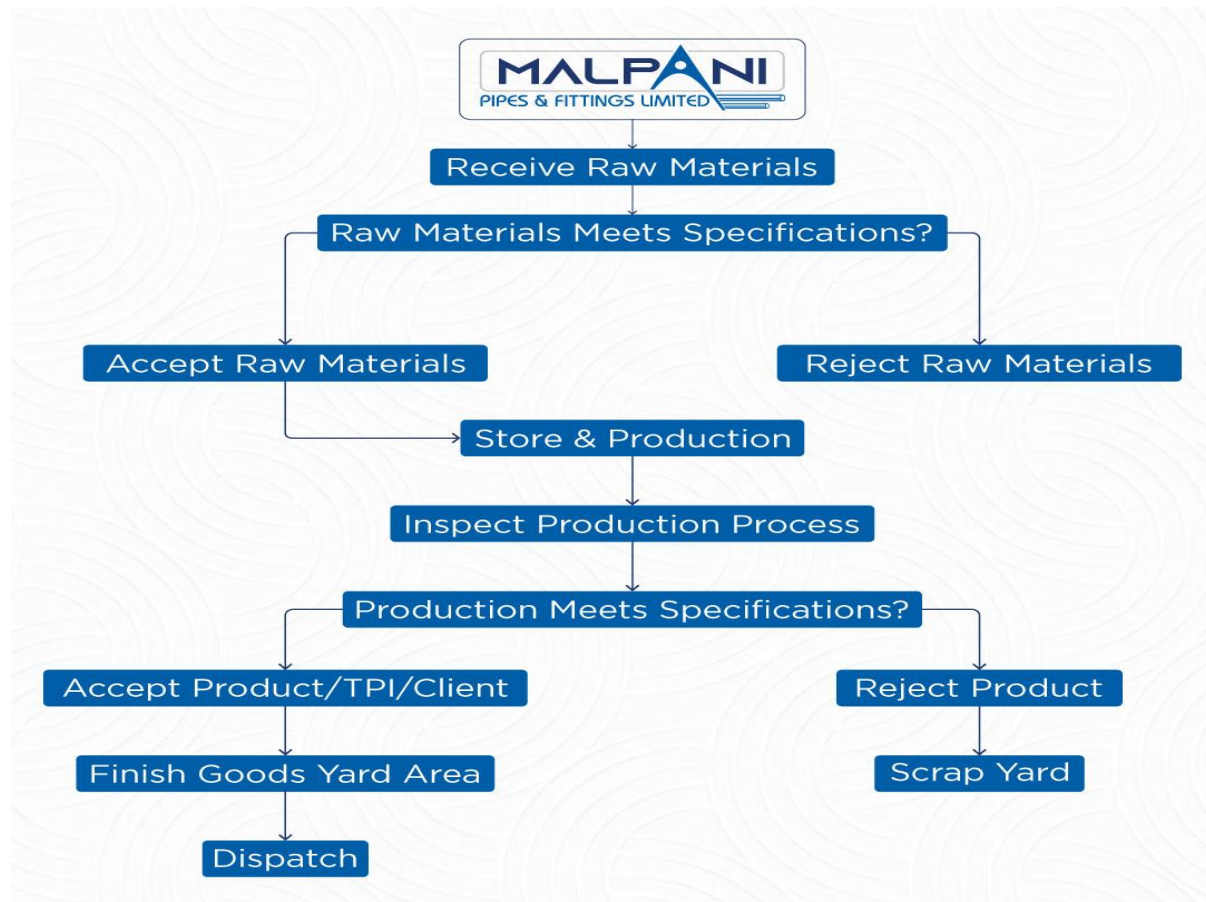
## Quality Assurance

Our manufacturing facility situated at Ratlam, Madhya Pradesh is ISO 9001:2015 certified for quality management system. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products. We have in-house testing facility to ensure our products meet the applicable quality standards. We have certification marks licenses from the Bureau of Indian Standards (“BIS”) for our range of Piping products that adhere to IS standards.





**Quality Control Flow Chart:**



The table below shows our piping systems products and the standards they adhere to

Sr. No.	Products	Standard	License Number
1.	HDPE Pipe	IS 4984:2016	CM/L – 8200111996
2.	HDPE Sprinkler Pipe	IS 17425:2020	CM/L – 8200075812
3.	HDPE Sewerage Pipe	IS 14333:2022	CM/L – 8200172010
4.	Lateral Pipes	IS 12786:1989	CM/L – 8200115095
5.	Drip Irrigation Pipe	IS 13488:2008	CM/L – 8200112089
6.	MDPE Pipe	ISO 4427 Part-2:2019	URS/INS/0001/108035

## **Raw Material**

For the past two years, we have been importing raw materials (granules) from various locations, including Dubai, Singapore, Belgium, the UK, Vietnam, Switzerland, Ajman (UAE), accounting for 54.42% in FY 2023-24 and 22.31% in FY 2022-23. The remaining raw materials are sourced domestically, with 45.58% in FY 2023-24 and 77.69% in FY 2022-23 coming from Madhya Pradesh, Gujarat, Delhi, Uttarakhand, Maharashtra, and Rajasthan. We use polyethylene polymers/resins to manufacture our products, with prices influenced by fluctuations in crude oil prices, global supply and demand, and import-export regulations. Additionally, the cost in Rupees is impacted by changes in the exchange rate between the Rupee and the U.S. dollar.

Though, there is no conflict of interest between the suppliers of the raw materials and third party service providers and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and the Subsidiary/ Group Companies and its directors. We do not have long-term supply agreements for our raw materials and procure them both from domestic sources and international suppliers.

## **Sales and Marketing Initiatives**

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

Furthermore, our promoter and senior management play an active role in sales and marketing, enhancing client relationships and driving business growth. Their direct involvement includes personalized interactions, ensuring a thorough understanding of client needs and fostering long-term relationships.

## **Location**

### **Registered Office and Manufacturing Unit:**

Plot No. 64-A-1, Plot no. 64-A-2, Plot No. 65-A, Industrial Area, Ratlam, Madhya Pradesh – 457001

### **Warehouses**

- D13/2, Old Bypass floor, M/s Shivam Minerals, MIDC, Nimbhora, Amaravati 444607, Maharashtra
- Godown No./Gala No. 17, Ground floor, Prerana Complex, Building No. A-8, House Number:344, Village: Ovali Bhiwandi Thane – 421302, Maharashtra

### **Plant, Machinery, Technology, process Etc.**

We also own a large fleet of Equipment and Latest machineries for various purpose like:

<b>Sr. No</b>	<b>List of machineries*</b>	<b>No of Machines</b>
1.	Pre Heat Mixer	7
2.	PE Pipe Extruder Machine Line	10
3.	Sprinkler Coupler Welding Machine	6
4.	Dripper Insertion Machine	1
5.	Dripper Punching Machine	1
6.	Compressor	3
7.	Cooling Tower	2
8.	EOT Crane	1
9.	Auto Coiler	5
10.	Forklift	2
11.	Other Supporting Machines	As Required

\*As Certified by the Chartered Engineer dated : August 23, 2024 by Jayant Bohra & Co., bearing Registration No.: Chartered Engineer, AM-83054/5, M- 1364051

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

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

### **COMPETITION**

We face competition from other players in the plastic pipes segment as well as from manufacturers of alternative products to plastic pipes and fittings. The organised segment accounts for a 60-65% share of India's plastic piping industry. However, depending on the plastic piping category, the share of organised players fluctuates accordingly. The success of players in the industry depends on: (i) pan-India presence; (ii) distribution network; (iii) product portfolio; (iv) end-use sectors they cater to and (v) presence in the pipes and fittings segment. Further, organised players' focus on marketing and distribution network expansion and launching innovative and branded products will see their revenue grow faster vis-à-vis the unorganised segment.

Factors such as well-established brand presence, improving operating efficiency, expanding reach and distribution network (and thereby managing selling and distribution expenses) helps determine the profitability of the players. Moreover, raw material cost accounts for 65-70% of operating income. PE, PP and PVC are the key raw materials used, prices of which are dependent on crude oil prices. Therefore, management of raw material cost is also important. Organised players are able to better manage their cost components versus unorganised players and have greater ability to pass on the increase in raw material costs.

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater.

### **Power**

Currently, the total power requirement is being met from the M.P. Paschim Kshetra Vidyut Vitaran CO. LTD. from which the Company has a sanctioned load 33 KW.

### **Water**

We require water for manufacturing operations which is extracted from the borewell installed at Company's factory and through tankers by local suppliers.

### **Transportation**

Our products are transported by trucks, though we do not own any vehicles and rely on third-party transporters for logistics. Our logistics team is responsible for selecting transporters and negotiating freight rates. These transporters operate under annual fixed-rate contracts or work orders with specified terms and conditions. Freight rates may fluctuate due to changes in fuel prices. To minimize risk and prevent monopolies, each delivery route typically involves at least two transporters. The use of a sole transporter for any route is subject to the approval of the Head of Department and on a case-by-case basis.


## Human Resources



As at August 31, 2024, we had 47 full time employees and 36 contract based employees. Detailed division-wise breakup of employees is as under:

Sr. No.	Particulars	Employees
1)	Executive Directors	03
2)	Human Resources Department	01
3)	Marketing / Sales Staff	03
4)	Account Staff	08
5)	Quality department	05
6)	Production department	19
7)	Store Department	04
8)	Other Office staff	04
9)	Workers (on Contract)	36
<b>Total</b>		<b>83</b>

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

## Intellectual Property Rights

Sr. No.	Name and Description	Nature	Registration Date	Intellectual Property Registration/ No.	Class	Present Status	Validity
1.		Trade Mark	May 19, 2017	3552852	17	Registered	Upto 10 Years
2.	AGROSIA	Trade Mark	August 27, 2019	4276683	17	Registered	Upto 10 Years
3.	ALNIK	Trade Mark	August 27, 2019	4276679	17	Registered	Upto 10 Years
4.	KRIOM	Trade Mark	August 27, 2019	4276682	17	Registered	Upto 10 Years
5.	PARESH	Trade Mark	August 27, 2019	4276680	17	Registered	Upto 10 Years
6.	SATYAMITRA	Trade Mark	October 20, 2020	4710610	17	Registered	Upto 10 Years

7.		Trade Mark	May 19, 2017	3552853	17	Registered	Upto 10 Years
8.		Trade Mark	May 19, 2017	3552851	17	Registered	Upto 10 Years

### Insurance

Particulars	Details
Name of the Insurance Company	The New India Assurance Co. Ltd.
Type of Policy	New India Bharat Flexi Laghu Udyam Suraksha
Validity Period	Time Period: From June 01, 2024 to May 31, 2025
Description Cover Under the Policy	Building, Furniture and Fixtures and Stock
Risk Location	1. 65-A, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001 2. 64-A-1, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001 3. 64-A-2, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001
Policy No.	45080011249600000014
Sum Insured (In Rs.)	Rs. 455,000,000
Premium Paid (In Rs.)	Rs. 5,53,276

Particulars	Details
Name of the Insurance Company	The New India Assurance Company Limited
Type of Policy	New India Bharat Flexi Sookshma Udyam Suraksha
Validity Period	Time Period: From June 04, 2024 to June 03, 2025
Description Cover Under the Policy	Stock Insurance
Risk Location	D13/2, Old Bypass, MIDC, Amaravati, Maharashtra, Pin Code: 444601
Policy No.	45080011248700000051
Sum Insured (In Rs.)	Rs. 5,000,000
Premium Paid (In Rs.)	Rs. 4,493

Particulars	Details
Name of the Insurance Company	The New India Assurance Company Limited
Type of Policy	POLICY SCHEDULE FOR BURGLARY (Floater) INSURANCE
Validity Period	Time Period: From August 16, 2024 to August 15, 2025
Description Cover Under the Policy	Stock pertained to insured trade
Risk Location	1. 65-A, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001 2. 64-A-1, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001 3. 64-A-2, Sector B, Industrial Area, Ratlam, Madhya Pradesh 457001
Policy No.	45080046240100000170
Sum Insured (In Rs.)	Rs. 2,70,000,000

Premium Paid (In Rs.)	Rs. 13,981
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### **Immovable Property**

#### **Owned Property:**

Particulars	Details
Name of the Parties (Buyer)	Malpani Pipes and Fittings Limited
Name of the Parties (seller)	M/s. Ratlam Plastic Industries
Description of Property	Plot No. 65-A, Industrial Area, Ratlam, 457001, Madhya Pradesh
Date of agreement	June 28, 2017
Consideration Paid	Rs.12,02,300 (*which includes other expenses)
Usage	Factory
Area (Approx)	1775 Sq. Feet

#### **Leased Property:**

Particulars	Details
Name of the Parties (Licensor)	Governor of Madhya Pradesh (General Manager District Trade & Industries Centre Ratlam)
Name of the Parties (Licensee)	Malpani Pipes and Fittings Private Limited
Description of Property	Plot No. 64-A-1, Industrial Area, Ratlam, Madhya Pradesh – 457001
Date of agreement	August 01, 2023
Duration of Agreement	August 01, 2023 to July 31, 2122
Premium Amount	Rs.21,35,685
Deposit Amount	Rs.1,03,050
Rent	Rs.34,350 p.a
Usage	factory
Area (Approx)	2788.1 Sq. Mtr.

Particulars	Details
Name of the Parties (Licensor)	Governor of Madhya Pradesh (General Manager District Trade & Industries Centre Ratlam)
Name of the Parties (Licensee)	Malpani Pipes and Fittings Private Limited
Description of Property	Plot No. 64-A-2, Industrial Area, Ratlam, Madhya Pradesh – 457001
Date of agreement	August 01, 2023
Duration of Agreement	August 01, 2023 to July 31, 2122
Premium Amount	Rs.21,35,685
Deposit Amount	Rs.1,03,050
Rent	Rs.34,350 p.a
Usage	Factory
Area (Approx)	2788.1 Sq. Mtr.

Particulars	Details
Name of the Parties (Licensor)	Ms. Shrimati Methi Shobha Suresh
Name of the Parties (Licensee)	Malpani Pipes and Fittings Private Limited
Description of Property	D13/2, Old Bypass floor, M/s Shivam Minerals, MIDC, Nimbhora, Amaravati 444607, Maharashtra
Date of agreement	May 19, 2024
Duration of Agreement	May 01, 2024 to March 31, 2025



Deposit Amount	Rs.33,000
Rent	Rs.11,000/Per month
Usage	Warehouse/Stocking of Goods
Area (Approx)	1000 Sq. Feet

Particulars	Details
Name of the Parties (Licensor)	Vaibhav laxmi Warehouse
Name of the Parties (Licensee)	Malpani Pipes and Fittings Private Limited
Description of Property	Godown No./Gala No. 17, Ground floor, Prerana Complex, Building No. A-8, House Number:344, Village: Ovali Bhiwandi Thane – 421302, Maharashtra
Date of agreement	June 24, 2024
Duration of Agreement	June 11, 2024 to June 10, 2026
Deposit Amount	Rs.40,000 /-
Rent	Rs.40,000/Per month for the First 12 Months.
Usage	Non-Residential Purpose
Area (Approx)	2500 Sq. Feet

## **KEY INDUSTRY REGULATIONS AND POLICIES**

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. 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 Income Tax Act, and applicable Labour laws, environmental laws, contractual laws, 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 Applicants and is neither designed nor intended to be a substitute for professional legal advice.

For the purpose of the business undertaken by our Company, our Company 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 201 of this Draft Red Herring Prospectus.

The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designated nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Central and the State laws, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

### **GENERAL LEGISLATIONS**

#### **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (Contract Act) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act 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.

#### **Sale of Goods Act, 1930**

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

#### **Consumer Protection Act, 2019 (“CPA”)**

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by teleshopping, or direct-selling or multi-level marketing.

#### **Transfer of Property Act, 1882 (“TP Act”)**

The Transfer of Property Act, 1882 (the TP Act) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons

competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

### **The Registration Act, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

### **Limitation Act, 1963**

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period means the period of limitation computed in accordance with the provisions of this Act.

## **• TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961 ("IT Act")**

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

### **Goods and Service Tax (GST)**

Madhya Pradesh Goods and Services Tax Act, 2017  
Central Goods and Services Tax Act, 2017  
The Integrated Goods and Services Tax Act, 2017

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST shall be levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST. (Integrated tax - IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. Besides, some goods and services would be under the list of exempt items.

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

## **GENERAL LAWS**

### **The Companies Act, 2013/1956**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has issued its notification dated September 12, 2013 which has notified 98 (Ninety Eight) Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 (One Eighty-Three) Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **Competition Act, 2002 (“Competition Act”)**

The Competition Act, 2002 aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **The Negotiable Instruments Act, 1881 (“NI Act”)**

In India, the laws governing monetary instruments such as cheques are contained in the “**NI Act**”, 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 cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, and with fine which may extend to twice the amount of the cheque, or with both.

### **The Indian Stamp Act, 1899**

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not ‘duly stamped’ cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

## **ENVIRONMENT RELATED LAWS**

### **Environment (Protection) Act, 1986 (“Environment Act”) and the Environment (Protection) Rules, 1986 (“Environment Rules”)**

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or

permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe the standards of quality of air, water or soil for various areas:

- the maximum allowable limits of concentration of various environmental pollutants for different areas;
- the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents; and
- the procedures and safeguards for extracting and utilizing ground water.

Further, pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board an environmental statement for that financial year in the prescribed form.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act aims to prevent and control water pollution and to maintain or restore water purity. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state pollution control board. Even before the expiry of the consent period, the state pollution control board is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state pollution control board after serving notice to the concerned industry may, among other measures, close the premises, withdraw water supply to the premises or cause magistrates to pass injunctions to restrain such polluters.

### **Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The pollution control board is required to grant, or refuse, the consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### **The Environmental Impact Assessment Notification, 2006 (the “EIA Notification”)**

As per the EIA Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the schedule to the EIA Notification and meeting the thresholds specified therein can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. In 2016, the Ministry of Environment, Forest and Climate Change (“**MoEF**”) issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects.

### **Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to obtain an approval from the relevant state pollution control board and to dispose of such waste without harming the environment.

### **Noise Pollution (Regulation and Control) Rules, 2000 (the “Noise Pollution Rules”)**

The Noise Pollution Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). The Noise Pollution Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. These Rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Pollution Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **The Forest (Conservation) Act, 1980 (“the FCA”)**

The FCA read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose.

## **INTELLECTUAL PROPERTY LAWS**

Certain laws relating to intellectual property rights such as copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999 are also applicable to us. The Copyright Act, 1957 (the “**Copyright Act**”) governs copyright protection in India. It specifies that for the purposes of public performance of Indian or international music a public performance license must be obtained else it will invite criminal action. All those who play pre-recorded music in the form of gramophone records, music cassettes or compact discs in public places have to obtain permission for sound recordings. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

## **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

### **Plastic Waste Management (PWM) Rules, 2016**

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

### **The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (“Chemical Accidents Rules”)**

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (“HCR Rules”) The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority.

### **The Factories Act, 1948**

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

### **Legal Metrology Act, 2009 (the "LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 (the "LM Rules")**

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

### **The Bureau of Indian Standards Act, 2016 ("BIS Act")**

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardization, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer's compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

In addition to the above, the BIS Standards Related with Manufacturer of HDPE Pipes are also applicable to our Company.

### **The Industrial Relations Code, 2020 ("Industrial Code")**

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

### **Consumer Protection Act, 2019**

Consumer Protection Act, 2019 ("COPRA, 2019") has replaced the earlier Consumer Protection Act, 1986, in seeking to provide better protection to the interests of consumers, especially in the digital age. The key features of

the COPRA, 2019 include wider definition of “consumer”, enhancement of pecuniary jurisdiction, flexibility in e-filing complaints, imposition of product liability, wider definition of unfair trade practices, and provision for alternative dispute resolution. Furthermore, it provides for the establishment of a regulatory authority known as the Central Consumer Protection Authority (CCPA), with wide powers of enforcement. The CCPA will have an investigation wing, headed by a Director-General, which may conduct inquiry or investigation into consumer law violations. Further, the CCPA has been granted wide powers to take *suo moto* actions, recall products, order reimbursement of the price of goods/services, cancel licenses and file class action suits, if a consumer complaint affects more than one individual.

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

#### **The Sale of Goods Act, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of the Sale of Goods Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Sale of Goods Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in the Sale of Goods Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

### **INTELLECTUAL PROPERTY LAWS**

#### **Trade Marks Act, 1999 as amended (the “Trademark Act”)**

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



### **The Design Act, 2000 (the “Design Act”)**

The Design Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or a combination of pattern and colour in a three-dimensional form containing aesthetic value. The Design Act provides an exclusive right to apply a design to any article in any class in which the design is registered.

### **The Patents Act, 1970**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

## **EMPLOYMENT AND LABOUR LAWS**

### **Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the concerned Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund at the prescribed percentage of the basic salary/wages and dearness allowances payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952

### **Employees Deposit Linked Insurance Scheme, 1976**

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

### **The Employees’ Pension Scheme, 1995**

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

### **Employees’ State Insurance Act, 1948 (the “ESI Act”)**

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. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year are required to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on cessation 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.

### **Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including outworkers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving atleast two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited.

### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

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

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, 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.

### **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also, a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

### **Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Malpani Pipes And Fittings Private Limited” on February 3, 2017 under the provisions of Companies Act, 2013 with the Registrar of Companies, Gwalior bearing Corporate Identification Number U25209MP2017PTC042337. Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on May 13, 2024 and a fresh certificate of incorporation consequent to conversion was issued on July 29, 2024 by the Registrar of Companies, Gwalior. The Corporate Identification Number of our Company is U25209MP2017PLC042337.

### Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 91, 83, and 180 of this Draft Red Herring Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 124 of this Draft Red Herring Prospectus.

### Changes in Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation.

Sr. No.	Registered Office		With Effect From	Reason for Change
	Shifted From	Shifted To		
1.	60-A-4, Sector B Industrial Area, Ratlam, Madhya Pradesh, India, 457001.	65-A, Sector B Industrial Area, Ratlam, Madhya Pradesh, India, 457001.	August 07, 2024	Change within the local limits of city, town or village

### Main Objects as set out in the Memorandum of Association of the Company

The Main object clause of the Company as per Memorandum of Association is as under:

- To undertake the business of manufacturers, importers, exporters, dealers, distributors, sellers and buyers of all type of pipes, fittings and tube products made from ferrous or non-ferrous metals, plastic, rubber or any other material.
- To manufacture and/or produce and/or otherwise engage generally in the manufacture or production of or dealing in all types of pipes, fittings and tube products and by-products and the sale, dealing or fabrications of steel and iron or non-ferrous metal and by-products and to do all acts and things necessary or require in the premises.

### Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

- Change in Name Clause**

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	May 13, 2024	Extra Ordinary General Meeting	The name of our company has changed from “Malpani Pipes and Fittings Private Limited” to “Malpani Pipes and Fittings Limited” pursuant to conversion of company from Private Limited to Public Limited

- **Change in Object**

Sn	Date of Passing of Resolution	Type of Meeting	Particulars
1.	January 03, 2022	Extra Ordinary General Meeting	<p>The company has amended Clause III [A] of Memorandum of Association relating to Main Objects be and is hereby altered by addition to the Clause III [A] (3).</p> <p>The Board of Directors of the company has been decided to add the below mention object</p> <p>The carry-on business of Trading, stocking, Repacking and processing of all kind of Food Grains, pulses and vegetable etc.</p>
2.	May 13, 2024	Extra Ordinary General Meeting	<p>The company has amended Clause III [A] of Memorandum of Association relating to Main Objects be and is hereby altered by deleting the Clause III [A] (3).</p> <p>The Board of Directors of the company has been decided that in order to excel in the existing business to remove the below mentioned clause.</p> <p>The carry-on business of Trading, stocking, Repacking and processing of all kind of Food Grains, pulses and vegetable etc.</p>

- **Change in Capital**

Sr. No.	Date of Change	AGM/ EGM	Changes in authorized Capital
1.	On Incorporation (February 03, 2017)	-	The authorized capital of our company on incorporation comprised of ₹ 10,00,000/- consisting of 1,00,000 Equity shares of Rs. 10/- each.
2.	February 05, 2018	EGM	The authorized share capital of ₹10,00,000/- consisting of 1,00,000 Equity shares of Rs. 10 each was increased to ₹ 30,00,000/- consisting of 3,00,000 Equity shares of ₹10/- each.
3.	May 02, 2019	EGM	The authorized share capital of ₹30,00,000/- consisting of 3,00,000 Equity shares of Rs. 10 each was increased to ₹ 50,00,000/- consisting of 5,00,000 Equity shares of ₹10/- each.
4.	January 06, 2020	EGM	The authorized share capital of ₹ 50,00,000/- consisting of 5,00,000 Equity shares of Rs. 10 each was increased to ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10/- each.
5.	March 07, 2020	EGM	The authorized share capital of ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of Rs. 10 each was increased to ₹ 2,00,00,000/- consisting of 20,00,000 Equity shares of ₹10/- each.
6.	December 01, 2023	EGM	The authorised share capital of ₹ 2,00,00,000/- consisting of 20,00,000 Equity shares of ₹10/- each was increased to ₹ 7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each.
7.	April 25, 2024	EGM	The authorized share capital of ₹7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each was increased to ₹ 12,00,00,000/- consisting of 1,20,00,000 Equity shares of ₹10/- each.

### MAJOR EVENTS, KEY AWARDS, ACCREDITATIONS OR RECOGNITION OF OUR COMPANY

#### MAJOR EVENTS:

There are no major events except as mentioned below.

Year	Key Events/Milestone/Achievement
2017	Our Company was incorporation as private limited company under the name “MALPANI PIPES AND FITTINGS PRIVATE LIMITED”.
2017	Our Company has Registered Trademark under Brand name of “VOLSTAR”.
2023	Our Company has participated in “Amravati Agriculture Exhibition” in Maharashtra
2024	Our Company has participated in “Agar Agriculture Exhibition” in Agar, Malva, MP
2024	Our Company was converted into Public Limited Company under the name of “MALPANI PIPES AND FITTINGS Limited”.

#### **KEY AWARDS:**

There are no Awards except as mentioned below.

- Our company was honored as one of the “Top 10 Irrigation Equipment Manufacturers - 2024” by Industry Outlook.

#### **Acquisition or divestments of business/undertakings, mergers and amalgamations**

Our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

#### **Strategic Partners**

Our Company is not having any strategic partner as on the date of filing this Draft Red Herring Prospectus.

#### **Financial Partners**

Our Company is not having any financial partner as on the date of filing this Draft Red Herring Prospectus.

#### **Time and Cost Overruns**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns pertaining to our business operations.

#### **Launch of key products or services, Capacity and Capacity Utilisation, entry in new geographies or exit from existing markets**

For details pertaining to our services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled “Business Overview” on page 91 of this Draft Red Herring Prospectus.

#### **Injunctions or Restraining Orders**

As on the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

#### **Changes in the activities of our Company in the last Five years**

There is no change in activity of our Company since incorporation.

#### **Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks**

There have been no defaults or rescheduling of borrowings or conversion of loans into equity with any financial institutions/banks in relation to our Company as on the date of this Draft Red Herring Prospectus.

**Revaluation of assets**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

**Subsidiaries and Holding Company**

Our Company neither has a Holding company nor has any Subsidiary Company as on the date of this Draft Red Herring Prospectus.

**Joint Ventures**

Our Company has not entered into any joint-ventures as on the date of this Draft Red Herring Prospectus.

**Shareholders' Agreements**

Our Company has not entered into any shareholders agreement as on the date of this Draft Red Herring Prospectus.

**Other Agreements**

Our Company has not entered into any agreements other than those entered into in the ordinary course of business with Key Managerial Personnel or Directors or Promoters or any other employee of the issuer, either by themselves or on behalf of any other person and there are no material agreements before the date of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

Our Company currently has 6 (Six) directors on our Board out of which 3 (Three) are Executive Directors, 1 (One) is Non-Executive & Non-Independent Director and 2 (Two) Independent Directors.

### BOARD OF DIRECTORS

The Following table sets forth details regarding the Board of Directors as on the date of this Draft Red-herring Prospectus:

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
<p><b>Name:</b> Rohit Malpani  <b>Father's Name:</b> Hirendra Malpani  <b>Address:</b> 151, Sai Sajjan, Shashtri nagar, Ratlam, Madhya Pradesh-457001, India  <b>Date of Birth:</b> July 07, 1984  <b>Age:</b> 40 Years  <b>Designation:</b> Chairman cum Managing Director  <b>Status:</b> Executive Director  <b>DIN:</b> 08671175  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Three (3) years Appointed as Managing Director w.e.f. August 26, 2024 to August 25, 2027  <b>Original Date of Appointment:</b> February 11, 2020 as a Director of the company</p>	Nil
<p><b>Name:</b> Harsh Malpani  <b>Father's Name:</b> Deepak Malpani  <b>Address:</b> 151, Shashtri nagar, Ratlam, Madhya Pradesh – 457001, India  <b>Date of Birth:</b> March 05, 1993  <b>Age:</b> 31 Years  <b>Designation:</b> Whole Time Director &amp; CFO  <b>Status:</b> Executive Director  <b>DIN:</b> 07691974  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Three (3) years Appointed as Whole-time Director w.e.f. August 26, 2024 to August 25, 2027  <b>Original Date of Appointment:</b> February 03, 2017 as a Director of the company</p>	Indian Companies- 1. WM Industries Private Limited
<p><b>Name:</b> Mohit Malpani  <b>Father's Name:</b> Hirendra Malpani  <b>Address:</b> 151, Sai Sajjan, Shashtri nagar, Ratlam, Madhya Pradesh-457001, India  <b>Date of Birth:</b> June 21, 1988  <b>Age :</b> 36 Years  <b>Designation:</b> Whole time Director  <b>Status:</b> Executive Director  <b>DIN:</b> 07691981  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Three (3) years, Appointed as Whole-time Director w.e.f. August 26, 2024 to August 25, 2027  <b>Original Date of Appointment:</b> February 03, 2017 as a Director of the company</p>	Nil



<p><b>Name:</b> Sonal Malpani  <b>Father's Name:</b> Suresh Chandra Baheti  <b>Address:</b> 151, Sai Sajjan, Shastri Nagar, Ratlam, Madhya Pradesh-457001, India  <b>Date of Birth:</b> September 17, 1987  <b>Age:</b> 36 Years  <b>Designation:</b> Director  <b>Status:</b> Non-Executive Director  <b>DIN:</b> 10694426  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Liable to retire by Rotation  <b>Original Date of Appointment:</b> August 21, 2024 as a Director of the Company</p>	Nil
<p><b>Name:</b> Ashesh Agnihotri  <b>Father's Name:</b> Ajay Kumar Agnihotri  <b>Address:</b> 37 MIG, Indira Nagar, Ratlam, Alot, Madhya Pradesh-457001, India  <b>Date of Birth:</b> August 08, 1980  <b>Age:</b> 44 Years  <b>Designation:</b> Independent Director  <b>Status:</b> Non-Executive Director  <b>DIN:</b> 10728143  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> Five (5) years from August 21, 2024 to August 20, 2029  <b>Original Date of Appointment:</b> August 21, 2024 as an Independent Director of the Company</p>	Nil
<p><b>Name:</b> Neha Somani  <b>Father's Name:</b> Rajendra Kumar Garg  <b>Address:</b> B 4302, Alpine Tower, Near Thakur college, Samta Nagar, Kandivali east, Mumbai, Suburban, Maharashtra-400101, India  <b>Date of Birth:</b> August 26, 1984  <b>Age:</b> 40 Years  <b>Designation:</b> Independent Director  <b>Status:</b> Non-Executive Director  <b>DIN:</b> 10694432  <b>Occupation:</b> Business  <b>Nationality:</b> India  <b>Term:</b> Five (5) years from August 21, 2024 to August 20, 2029  <b>Original Date of Appointment:</b> August 21, 2024 as an Independent Director of the Company</p>	Nil

### Confirmations

#### As on date of this Draft Red-herring Prospectus

- A. None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
- B. None of the Directors are on the RBI List of willful defaulters.
- C. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).

- D. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.
- E. None of the Directors are fugitive economic offender.

#### **Family Relationship between the Directors**

Except as stated below, None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

<b>Name and Designation</b>	<b>Relation and Designation</b>
Rohit Malpani, Managing Director	Husband of Sonal Malpani, Non-Executive Director
Rohit Malpani, Managing Director	Brother of Mohit Malpani, Whole Time Director

#### **Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Red-herring Prospectus.

#### **Service Contracts**

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

#### **Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra Ordinary General Meeting held on August 26, 2024, in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹200.00 Crores.

#### **Brief Profiles of Our Directors**

**Rohit Malpani** aged 40 years, is a Promoter and Managing Director of our company. He has been associated with our Company as a Director since February 11, 2020. He is a Master of Business Administration from The ICFAI University, Dehradun in the year 2008. He is Bachelor of Engineering (Instrumentation & Control Engg.) from Rajiv Gandhi Proudyogiki Vishwavidyalaya, Bhopal, University of Technology of Madhya Pradesh in the year 2006. He is responsible for the overall operations of our Company and leading our Company's short and long-term strategy and setting strategic goals. Before joining our company he has served for more than 12 years as Research and analysis role with various organizations working in financial Service sector such as Societe General Global Solutions Private Limited from October 28, 2013 to May 27, 2019, Crisil Limited from February 08, 2010 to October 21, 2013, Cognizant Technology Solutions India Private Ltd from August 13, 2009 to February 05, 2010, Adventity Global services Private Limited from May 09, 2008 to July 03, 2009 and Siemens Ltd as a summer trainee in F & A division from February 20, 2007 to May 31, 2007.

**Harsh Malpani** aged 31 years, is a Promoter & Whole-time director of our company. He is a Accounting Technician from The Institute of Chartered Accountants of India in the year 2012. He is associated with our Company as a director since Inception i.e. February 03, 2017. He has overall 7 (seven) Years of experience in the Pipes and fixtures Industry and responsible for providing strategic advice to the Board, and developing and executing our Company's business strategies. He currently oversees operations, finance, Accounts and overall

management of our Company. He has Completed his 3 year articleship of Chartered accountant course as required and sponsored by the Institute of chartered accountant of India with M/s. SVAN & Associates, Vipin Kumar Sankhlecha, a Chartered accountant in the month of September, 2015.

**Mohit Malpani** aged 36 years, is a Promoter and Whole-time director of our company. He holds a Master of Business Administration (Marketing) from Pondicherry University in the year 2010 and Bachelor of Commerce from Vikram University, Ujjain in the year 2009. He is associated with our Company as a director since Inception i.e. February 03, 2017. He has experience of 7 years in the Pipes and fixtures Industry. He oversees business development, Marketing, Sales and Distribution in our Company and lead our sales strategies.

**Sonal Malpani** aged 36 years, is a Non-Executive Director of our Company. She possesses Post Graduate Programme Certificate, (Specialization: Banking, Insurance & Finance) from AICAR Business School in 2010 and Bachelor of Computer Application from Makhnallal Chaturvedi National University of Journalism and Communication Bhopal in June 2008. Her major role in the company is as an advisor to the Board.

**Ashesh Agnihotri** aged 44 years, is an Independent Director of our Company. He has completed degree of Master of Management Science from Devi Ahilya Vishwavidyalaya, Indore, International Institute of Professional Studies in the year 2004 and Bachelor of Commerce from Vikram University, Ujjain in the year 2001. He has more than 15 years of experience in the Banking and Insurance industry. His major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Board's deliberations and to Scrutinize the performance of management in meeting agreed goal and objectives and monitor the reporting of performance.

**Neha Somani** aged 40 years, is an Independent Director of our Company. She is qualified as a Chartered accountant from institute of Chartered accountants of India in the month of May, 2008. She is completed her master degree in commerce (M.com) and Bachelor degree in commerce (B.com), in the year 2007 and 2005 respectively from Devi Ahilya Vishwavidyalaya, Indore. She has an experience of more than 2 years as an Assistant Manager-finance and accounts in Sodexo food Solutions India Private Limited from May 2011 to November, 2013. Her major role in the company is as an advisor to the Board and assist in bringing an independent judgment to bear on the Board's deliberations especially on Corporate Finance, Risk management and Business advisory service.

### Compensation of Managing Directors and/or Whole-time Directors

#### Terms and conditions of employment of our Managing Director:

**Rohit Malpani** has been appointed as Managing Director of our Company in the Board Meeting of the company held on August 26, 2024 and Extraordinary General Meeting Held on August 26, 2024 for a period of Three (3) years commencing from August 26, 2024.

#### The remuneration payable is as follows:

<b>Name</b>	Rohit Malpani
<b>Date of Agreement/Approval</b>	August 26, 2024
<b>Term of appointment</b>	Three (3) years commencing from August 26, 2024
<b>Remuneration</b>	Upto ₹ 1,20,00,000 per Annum
<b>Remuneration paid in FY 2023-24</b>	₹ 12,84,000 Per Annum

**Harsh Malpani** has been appointed as Whole Time Director of our Company in the Board Meeting of the company held on August 26, 2024 and Extraordinary General Meeting Held on August 26, 2024 for a period of Three (3) years commencing from August 26, 2024.

**The remuneration payable is as follows:**

<b>Name</b>	Harsh Malpani
<b>Date of Agreement/Approval</b>	August 26, 2024
<b>Term of appointment</b>	Three (3) years commencing from August 26, 2024
<b>Remuneration</b>	Upto ₹ 1,20,00,000 per Annum
<b>Remuneration paid in FY 2023-24</b>	₹ 12,84,000 Per Annum

**Mohit Malpani** has been appointed as Whole Time Director of our Company in the Board Meeting of the company held on August 26, 2024 and Extraordinary General Meeting Held on August 26, 2024 for a period of Three (3) years commencing from August 26, 2024.

**The remuneration payable is as follows:**

<b>Name</b>	Mohit Malpani
<b>Date of Agreement/Approval</b>	August 26, 2024
<b>Term of appointment</b>	Three (3) years commencing from August 26, 2024
<b>Remuneration</b>	Upto ₹ 1,20,00,000 per Annum
<b>Remuneration paid in FY 2023-24</b>	₹ 12,84,000 Per Annum

#### **Payment or benefit to Independent Directors of our Company**

We have not paid any sitting fees to our Independent Directors till the date of this Draft Red-herring Prospectus.

#### **Shareholding of Directors in our Company**

The details of the shareholding of our Directors as on the date of this Draft Red-herring Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>
1.	Rohit Malpani	14,31,625	18.13
2.	Harsh Malpani	16,34,750	20.70
3.	Mohit Malpani	16,62,375	21.05
4.	Sonal Malpani	4,90,750	6.21
<b>Total</b>		<b>52,19,500</b>	<b>66.09</b>

#### **Interests of our Directors**

Our all Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Non-Executive Directors are also members of the Company and are deemed to be interested in the sitting fees payable to them for attending meetings of the Board or a committee thereof, in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer "*Our Management - Shareholding of Directors in our Company*" beginning on page 124 of this Draft Red-herring Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as stated in the chapter “*Business Overview*” on page 91 of this Draft Red-herring Prospectus and in the chapter “*Restated Financial Statement*” on page 142 none of our Directors have any interest in the property proposed to be acquired by our Company.

Except as disclosed in the section titled in “*Restated Financial Statements*” on page 142, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled “*Restated Financial Statement*” on page 142 of this Draft Red-herring Prospectus.

#### **Payment of benefits (non-salary related)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red-herring Prospectus or is intended to be paid or given to any of our Directors except the remuneration for services rendered.

#### **Bonus or profit-sharing plan for the Directors**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

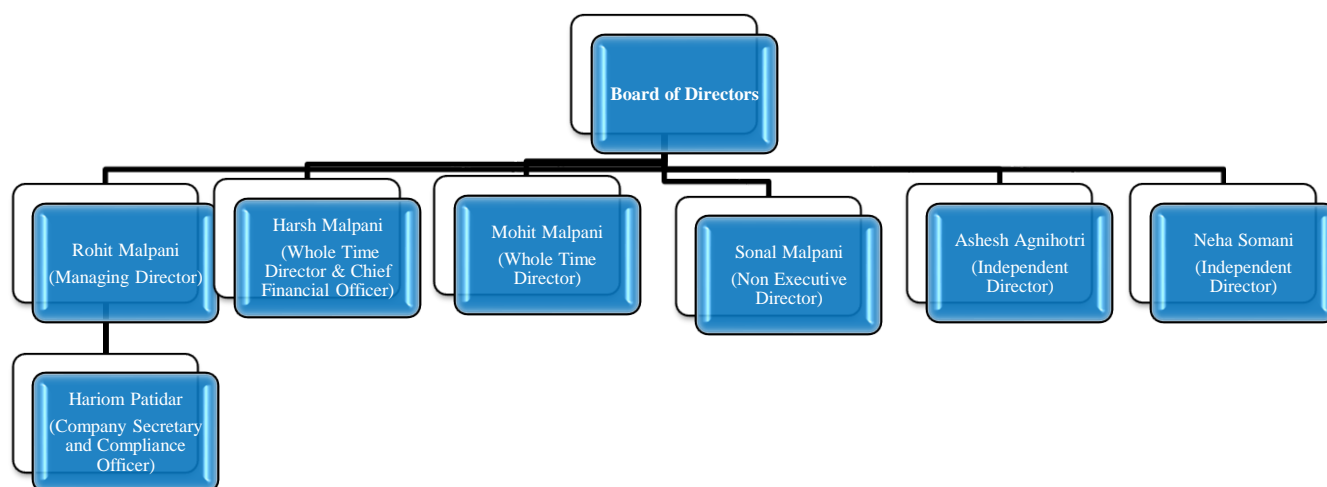
#### **Changes in our Company’s Board of Directors during the last three (3) years**

Following are the changes in the Board of Directors during the last three (3) years

<b>Name of Directors</b>	<b>Date of Appointment / Regularization</b>	<b>Nature of change</b>	<b>Date of Change in Designation / Cessation</b>	<b>Reasons for changes in the Board</b>
Rohit Malpani	-	Change in designation	August 26, 2024	Appointed as Managing Director
Harsh Malpani	-	Change in designation	August 26, 2024	Appointed as Whole-time Director
Mohit Malpani	-	Change in designation	August 26, 2024	Appointed as Whole-time Director
Sonal Malpani	August 21, 2024	Appointment	-	Appointed as Non-Executive Director
Ashesh Agnihotri	August 21, 2024	Appointment	-	Appointed as an Independent Director
Neha Somani	August 21, 2024	Appointment	-	Appointed as an Independent Director

## Management Organization Structure

The following chart depicts our Management Organization Structure



## COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

### Constitutions of Committees

Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on August 24, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015. The Audit Committee comprises following members.

Name	Position in Committee	Designation
Mr. Ashesh Agnihotri	Chairman	Independent Director
Ms. Neha Somani	Member	Independent Director
Mr. Harsh Malpani	Member	Whole-time Director

The Company Secretary of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### Terms of reference:

#### Role of Audit Committee

The Role of audit committee shall include, but shall not be restricted to, the following:

- 1 Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2 Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3 Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4 Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5 Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- 6 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;
- 7 Changes, if any, in accounting policies and practices and reasons for the same;
- 8 Major accounting entries involving estimates based on the exercise of judgment by management;
- 9 Significant adjustments made in the financial statements arising out of audit findings;
- 10 Compliance with listing and other legal requirements relating to financial statements;
- 11 Disclosure of any related party transactions; and
- 12 Qualifications and modified opinions in the draft audit report.
- 13 Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 14 Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 15 Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 16 Scrutiny of inter-corporate loans and investments;
- 17 Valuation of undertakings or assets of the Company, wherever it is necessary;
- 18 Evaluation of internal financial controls and risk management systems;
- 19 Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 20 Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 21 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;
- 22 Discussing with internal auditors on any significant findings and follow up thereon;
- 23 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;
- 24 Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 25 Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 26 Reviewing the functioning of the whistle blower mechanism;
- 27 Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 28 Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 29 Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

30 Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

### Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

- 1 Management discussion and analysis of financial condition and results of operations;
- 2 Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3 Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4 Internal audit reports relating to internal control weaknesses;
- 5 The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6 Statement of deviations:
- 7 Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
- 8 Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

### 2. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015 vide board resolution dated August 24, 2024. The Nomination and Remuneration Committee comprises the following members:

Name	Position in Committee	Designation
Ms. Neha Somani	Chairman	Independent Director
Mr. Ashesh Agnihotri	Member	Independent Director
Mr. Sonal Malpani	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Nomination and Remuneration Committee and its terms of reference shall include the following:

#### The Role and terms of reference:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. Consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;



6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

### 3. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and in view of the compliance of the Corporate Governance Provisions, and proposed applicable provisions of the SEBI (LODR) Regulation, 2015 vide board resolution dated August 24, 2024. The Nomination and Remuneration Committee comprises the following members:

Name	Position in Committee	Designation
Mr. Ashesh Agnihotri	Chairman	Independent Director
Ms. Neha Somani	Member	Independent Director
Mr. Harsh Malpani	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:

#### The terms of reference:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;
5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;

6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company.;
8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **4. Corporate Social Responsibility Committee**

Our Company has formed the Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications and re-enactments thereof) vide board resolution dated August 24, 2024. The Corporate Social Responsibility comprises the following members:

<b>Name</b>	<b>Position in Committee</b>	<b>Designation</b>
Mr. Rohit Malpani	Chairman	Director
Ms. Ashesh Agnihotri	Member	Independent Director
Mr. Harsh Malpani	Member	Whole-time Director

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee.

The scope and function of the Corporate Social Responsibility Committee and its terms of reference shall include the following:

##### **The terms of reference:**

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on activities referred to in Section 135(a) of the Companies Act, 2013
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
4. To Monitor the Corporate Social Responsibility policy of the Company from time to time; and
5. Any other matter of CSR Committee may deem appropriate after approval of the Board of Directors or as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 or other applicable law.

#### **Our Key Managerial Personnel**

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company

#### **Profiles of our Key Managerial Personnel**

For the profile of Rohit Malpani, Managing Director, Harsh Malpani, Whole-Time Director and Mohit Malpani, Whole-time Director, Please refer chapter titled “Our Management - Brief Profiles of our Directors” on page no. 124 of this Draft Red-herring Prospectus.

The Key Managerial Personnel of our Company other than our Directors are as follows:-

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience*	Remuneration paid in previous year (2023-24) (₹ in Lakhs)
<b>Harion Patidar</b> Company Secretary and Compliance Officer <b>D.O.J</b> -August 26, 2024	B.B.A. and Company Secretary From ICSI	Tanay Kasera & Co. as a Trainee	15 Months of experience in Corporate Compliance	-
<b>Harsh Malpani</b> Chief Financial Officer <b>D.O.J</b> – August 26, 2024	IPCC From ICAI	Article Service at M/s. SVAN & Associates	3 Years in Accounting	-

**Harion Patidar** is B.B.A. and Company Secretary from ICSI. He has Completed training with Tanay Kasera & Co. as sponsored by the ICSI for Fifteen Months. She has expertise in the area of Corporate Compliance, Company Law matters and Listing Compliance, etc. She is Company Secretary and Compliance Officer of our company.

**Harsh Malpani** is the Chief Financial Officer of our Company. For the profile of Harsh Malpani, Whole-Time Director and Chief Financial Officer, please refer chapter titled “Our Management - Brief Profiles of our Directors” on page no. 124 of this Draft Red-herring Prospectus.

#### Relationship amongst the Key Managerial Personnel of our Company

None of our Key Managerial Personnel of our Company are related to each other Except:

Rohit Malpani, Managing Director of our Company and Mohit Malpani, Whole Time Director are Brothers.

#### Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Red herring Prospectus

#### Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a profit-sharing plan for the Key Management Personnel.

#### Shareholding of Key Management Personnel in our Company

None of our Key Managerial Personnel except, Rohit Malpani, Managing Director, Harsh Malpani, Whole-time Director & CFO and Mohit Malpani, Whole Time Director holds Equity Shares in our Company as on the date of filing of this Draft Red-herring Prospectus. For further details, please refer to section titled “Capital Structure” beginning on page 42 of this Draft Red-herring Prospectus

#### Changes in Our Company’s Key Managerial Personnel during the last three (3) years

Name of KMP	Designation	Date of Event	Reason
Harsh Malpani	Chief Financial Officer	August 26, 2024	Appointed as Chief Financial Officer
Harion Patidar	Company Secretary and Compliance Officer	August 26, 2024	Appointed as Company Secretary and Compliance Officer

*For details with respect to the Changes in directors who are KMP, please refer to section titled “Changes in our Company’s Board of Directors during the last three (3) years” on page 124 of this Draft Red-herring Prospectus.*

### **Interest of Key Managerial Personnel**

Except as disclosed in this Draft Red-herring Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

### **Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Red-herring Prospectus.




### **Payment of Benefits to of Our KMPs (*non-salary related*)**

Except as disclosed in this Draft Red-herring Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled ‘*Restated Financial Statements*’ beginning on page 142 of this Draft Red-herring Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

	<p><b>Rohit Malpani</b> aged 40 years, is the Managing Director of our company.  <b>Date of Birth:</b> July 07, 1984  <b>Personal Address:</b> 151, Sai Sajjan, Shashtri nagar, Ratlam, Madhya Pradesh – 457001, India  <b>Permanent Account Number:</b> AODPM9712L                      For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 124 of this Draft Red Herring Prospectus.</p>
	<p><b>Harsh Malpani</b> aged 31 years, is the Whole Time Director &amp; CFO of our company.  <b>Date of Birth:</b> March 05, 1993  <b>Personal Address:</b> 151, Shashtri nagar, Ratlam, Madhya Pradesh – 457001, India  <b>Permanent Account Number:</b> BMFPM6614J                      For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 124 of this Draft Red Herring Prospectus.</p>
	<p><b>Mohit Malpani</b> aged 36 years, is the Whole Time Director of our company.  <b>Date of Birth:</b> June 21, 1988  <b>Personal Address:</b> 151, Sai Sajjan, Shashtri nagar, Ratlam, Madhya Pradesh – 457001, India  <b>Permanent Account Number:</b> AUUPM1835H                      For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 124 of this Draft Red Herring Prospectus.</p>

*For details of the build-up of our Promoters’ shareholding in our Company, please see “Capital Structure – Shareholding of our Promoters” beginning on page no 42 of this Draft Red Herring Prospectus.*

### Confirmations

We confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card and Driving License of our Promoters will be submitted to the Stock Exchange at the time of filing the Draft Red Herring Prospectus with the Stock Exchange.

Further, our Promoters has confirmed that they have not been declared as willful defaulters or Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

### **Other ventures of Promoters**

Save and except as disclosed in this section titled “our promoter and Promoter Group”, there are no ventures promoted by our promoters in which they have any business interest or any other interest as on the date.

### **Change in the management and control of the Issuer**

Our Promoters are the original Promoters of our Company and there has been no change in the control of our Company from the inception of the company.

### **Relationship of Promoters with our directors**

None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013, Except as under:

Rohit Malpani, Promoter & Managing Director of our Company is husband of Sonal Malpani, Non-Executive Director and Rohit Malpani, Promoter & Managing Director of our Company and Mohit Malpani, Promoter & Whole Time Director are Brothers.

### **Interest of Promoters**

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings, Directorship in our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, Interest on unsecured Loan, and employment related benefits, if any paid by our Company. For further details, please refer chapters titled “*Capital Structure*” and “*Our Management*” beginning on pages 52 and 124, respectively of this Draft Red Herring Prospectus. For further details, please refer chapters titled “*Capital Structure - Shareholding of our Promoter and Promoter Group*” beginning on page 52 and “*Restated Financial Statements*” on page 142, respectively of this Draft Red Herring Prospectus.

Except Mohit Malpani HUF, Rohit Malpani HUF and Deepak Malpani family Trust, Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

### ***Interest in the properties of our Company***

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Draft Red Herring Prospectus.

### ***Interest as members of our Company***

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “*Capital Structure*” beginning on page 52 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or firm or company in which our Promoters are interested as referred in chapter “Our Promoters and Promoter Group” in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

### **Other Interest**

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### Payment of benefits to our Promoters

Except as stated in the Note- AA "Related Party Transactions" on page 173 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Red Herring Prospectus.

### Guarantees

Except as stated in the section titled "Restated Financial Statements" beginning on page 142 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### Details of Companies / Firms from which our Promoters have disassociated

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Red Herring Prospectus.

### Our Promoter Group

Our Promoter Group in terms of Regulation and 2(1) (pp) of the SEBI ICDR Regulations, 2018. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

#### A. Individual persons who are part of our Promoter Group

#### Promoters: Rohit Malpani, Harsh Malpani and Mohit Malpani

Relationship with promoters			
Promoter	Rohit Malpani	Harsh Malpani	Mohit Malpani
Father	Hirendra Malpani	Deepak Malpani	Hirendra Malpani
Mother	Sunita Malpani	Hemlata Malpani	Sunita Malpani
Spouse	Sonal Malpani	Harshita Malpani	Rini Malpani
Brother	Mohit Malpani	-	Rohit Malpani
Sister	-	Ayushi Malpani	-
Son	Nivaan Malpani	-	-
	Mihaan Malpani	-	-
Daughter	-	-	Nurvi Malpani
Spouse's Father	Suresh chandra Baheti	Arun Samdani	Krishna das Neema
Spouse's Mother	Sandhya Baheti	Vandana Samdani	Arti Neema
Spouse's Brother	Kshitij Bahety	Divy Samdani	Purvish Neema
Spouse's Sister	-	-	-

### Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Any body corporate in which twenty per cent. or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member	1. Terex Industries Private Limited 2. Malpani Plastics Private Limited 3.WM Industries Private Limited
Any body corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share	Nil



capital; and	
Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	<ol style="list-style-type: none"> <li>1. Super Cube Enterprises</li> <li>2. Rohit Malpani HUF</li> <li>3. Harsh Malpani HUF</li> <li>4. Mohit Malpani HUF</li> <li>5. Deepak Malpani HUF</li> <li>6. Hirendra Malpani HUF</li> <li>7. Malpani Pipe Industries</li> <li>8. Tirupati Industries</li> <li>9. Deepak Malpani Family Trust</li> <li>10. Nurvi Malpani Trust</li> <li>11. Mihaan Malpani Trust</li> <li>12. Nivaan Malpani Trust.</li> </ol>

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no.207 of Draft Red herring Prospectus.

## **DIVIDEND POLICY**

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see “*Financial Indebtedness*” on page 187. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The Company has not declared and paid any dividends on the Equity Shares during the last three Financial Years preceding the filing of this Draft Red Herring Prospectus.

**Section VI – Financial Information**  
**Restated Financial Statement**

**INDEPENDENT AUDITOR’S REPORT ON RESTATED FINANCIAL STATEMENT**

To,  
The Board of Directors,  
**MALPANI PIPES AND FITTINGS LIMITED**  
(CIN: U25209MP2017PLC042337)

Dear Sir,

1. We have examined the attached Restated Financial Statements of Malpani Pipes and Fittings Limited, comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the years/periods ended March 31, 2024, March 31, 2023 and March 31, 2022 the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on **02<sup>nd</sup> September, 2024** for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (“Draft Offer Document/Offer Document”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Offer Document/Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Gwalior in connection with the proposed SME IPO.

The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, K A R M A & CO. LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 01<sup>th</sup> August, 2024 valid till 31<sup>st</sup> July, 2027. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.

4. We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated **8<sup>th</sup> June, 2024** in connection with the proposed IPO of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR

Regulations and the Guidance Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the period ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 which has been approved by the Board of Directors. The Audit of financial statements of the Company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 was conducted by M/s K A R M A Co., G S V M & Co. and Dinesh Ajmera & Associates respectively. Accordingly, reliance has been placed on the financial information examined by them for the said years. The financial report included for March 31, 2024, March 31, 2023 and March 31, 2022.
6. For the purpose of our examination, we have relied on:
  - a) Auditors' reports dated 30<sup>th</sup> August, 2024 issued by us for the period ended 31<sup>st</sup> March, 2024, and dated 1<sup>st</sup> September, 2023 and 05<sup>th</sup> September, 2022 respectively issued by G S V M & Co. and Dinesh Ajmera & Associates on the financial statements of the Company as at and for the period ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 as referred in Paragraph 5 above;
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:
  - a) after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years/period ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
  - b) In accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors on 02<sup>nd</sup> September, 2024 for the years/period ended March 31, 2024, March 31, 2023 and March 31, 2022.

Annexure V - Notes to the Restated Summary Financial Information;

- a) Restated Statement of Share Capital as appearing in Note A to this report;
- b) Restated Statement of Reserves and Surplus as appearing in Note B to this report;
- c) Restated Statement of Long Term Borrowings as appearing in Note C to this report;
- d) Restated Statement of Deferred Tax (Assets)/Liabilities (Net) as appearing in Note D to this report;
- e) Restated Statement of Other Long term Liabilities as appearing in Note E to this report;
- f) Restated Statement of Long Term Provisions as appearing in Note F to this report;
- g) Restated Statement of Short term borrowings as appearing in Note G to this report;
- h) Restated Statement of Trade Payables as appearing in Note H to this report;
- i) Restated Statement of Other Current Liabilities as appearing in Note I to this report;
- j) Restated Statement of Short Term Provisions as appearing in Note J to this report;
- k) Restated Statement of Fixed Assets as appearing in Note K to this report;
- l) Restated Statement of Other Non-Current assets as appearing in Note L to this report;
- m) Restated Statement of Trade Receivables as appearing in Note M to this report;
- n) Restated Statement of Cash and Cash Equivalents as appearing in Note N to this report;
- o) Restated Statement of Inventories as appearing in Note O to this report;
- p) Restated Statement of Short Term Loans and Advances as appearing in Note P to this report;
- q) Restated Statement of Other Current Assets as appearing in Note Q to this report;
- r) Restated Statement of Revenue from Operations as appearing in Note R to this report;
- s) Restated Statement of Other Income as appearing in Note S to this report;
- t) Restated Statement of Raw Material Consumption as appearing in Note T to this report;
- u) Restated Statement of Change in Inventories as appearing in Note U to this report;
- v) Restated Statement of Employee Benefit Expenses as appearing in Note V to this report;
- w) Restated Statement of Finance Cost as appearing in Note W to this report;
- x) Restated Statement of Depreciation & Amortization as appearing in Note X to this report;
- y) Restated Statement of Other Expenses as appearing in Note Y to this report;

- z) Restated Statement of Contingent Liabilities as appearing in Note Z to this report;
  - aa) Restated Statement of Related Party Transactions as appearing in Note AA to this report;
  - bb) Restated Statement of Tax Shelter as appearing in Note AB to this report;
  - cc) Capitalization Statement as appearing in Note AC to this report;
  - dd) Restated Statement of Mandatory Accounting Ratios as appearing in Note AD to this report;
  - ee) Restated Statement of Other Disclosures as per Schedule-III of the Companies Act, 2013 in Notes AE to this report
  - ff) Ratio Analysis as appearing in Note AF to this report
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Gwalior in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
12. In our opinion, the above financial information contained in Annexure I to Annexure V of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For, K A R M A & C O L L P**  
**Chartered Accountants**  
**Firm Reg No: 127544W/W100376**  
**Sd/-**  
**CA Jignesh A Dhaduk**  
**Designated Partner**  
**Mem. No: 129149**  
**UDIN: 24129149BKEBPB8260**

Place: Ahmedabad  
Date: September 02, 2024

## Annexure I Restated Statement of Assets and Liabilities

(Rs. in Lakhs)

PARTICULARS		NOTES	31-03-24	31-03-23	31-03-22
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1.</b>	<b>Shareholders' Funds</b>				
<b>(a)</b>	Share Capital	<b>A</b>	243.00	193.00	193.00
<b>(b)</b>	Reserves & Surplus	<b>B</b>	1,241.97	390.48	183.30
<b>(c)</b>	Share Application Money		-	-	-
<b>2.</b>	<b>Non-Current Liabilities</b>				
<b>(a)</b>	Long Term Borrowings	<b>C</b>	1,128.62	883.61	669.94
<b>(b)</b>	Deferred Tax Liabilities (Net)	<b>D</b>	19.29	22.33	15.73
<b>(c)</b>	Other Long Term Liabilities	<b>E</b>	-	0.70	0.70
<b>(d)</b>	Long Term Provisions	<b>F</b>	21.74	14.03	8.29
			<b>1,169.64</b>	<b>920.68</b>	<b>694.65</b>
<b>3.</b>	<b>Current Liabilities</b>				
<b>(a)</b>	Short Term Borrowings	<b>G</b>	1,900.25	1,075.65	227.67
<b>(b)</b>	Trade Payables	<b>H</b>			
	(A) outstanding dues of micro enterprises and small enterprises; and		72.70	33.33	90.32
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		948.15	767.87	461.02
<b>(c)</b>	Other Current Liabilities	<b>I</b>	255.41	356.39	259.70
<b>(d)</b>	Short Term Provisions	<b>J</b>	303.60	156.51	20.34
			<b>3,480.11</b>	<b>2,389.75</b>	<b>1,059.06</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,134.72</b>	<b>3,893.90</b>	<b>2,130.01</b>
<b>B)</b>	<b>ASSETS</b>				
<b>1.</b>	<b>Non-Current Assets</b>				
<b>(a)</b>	Property, Plant and Equipment and Intangible assets	<b>K</b>			
	I) Property, Plant and Equipment				
	(i) Gross Block		892.98	831.05	258.98
	(ii) Depreciation		182.09	97.37	54.67
	(iii) Net Block		710.88	733.68	204.31
	II) Intangible Assets		0.16	0.08	0.16
	III) Capital Work-in-Progress		348.83	-	468.81
	IV) Intangible assets under development		-	-	-
<b>(b)</b>	Non-Current Investment				
<b>(c)</b>	Deferred Tax Assets (Net)	<b>D</b>	-	-	-
<b>(d)</b>	Long Term Loans and Advances			-	-
<b>(e)</b>	Other Non-Current Assets	<b>L</b>	513.07	241.37	189.76
			<b>1,572.95</b>	<b>975.13</b>	<b>863.03</b>
<b>2.</b>	<b>Current Assets</b>				
<b>(a)</b>	Trade Receivables	<b>M</b>	1,141.26	612.86	635.48
<b>(b)</b>	Cash and Cash equivalents	<b>N</b>	31.18	257.58	25.16
<b>(c)</b>	Inventories	<b>O</b>	2,886.14	1,782.17	478.64
<b>(d)</b>	Short-Term Loans and Advances	<b>P</b>	129.81	13.46	5.59
<b>(e)</b>	Other Current Assets	<b>Q</b>	373.39	252.71	122.10
			<b>4,561.77</b>	<b>2,918.78</b>	<b>1,266.98</b>
	<b>TOTAL ASSETS</b>		<b>6,134.72</b>	<b>3,893.90</b>	<b>2,130.01</b>

As per our report of even date  
For K A R M A & CO LLP  
Chartered Accountants  
Firm's Reg. No. 127544W / W100376  
Sd/-  
Jignesh A Dhaduk  
Designated Partner  
Membership No. 129149  
UDIN: 24129149BKEBPB8260  
Place: Ahmedabad  
Date: September 02, 2024

For, Malpani Pipes and Fittings Limited

Sd/-  
Rohit Malpani  
Managing Director  
DIN - 08671175

Sd/-  
Mohit Malpani  
Whole Time Director  
DIN – 07691981

Sd/-  
Harsh Malpani  
Chief Financial Officer  
DIN – 07691974

Sd/-  
Hariom Patidar  
Company Secretary



## Annexure - II Restated Statement of Profit and Loss

(Rs. In Lakhs)

PARTICULARS		NOTES	31-03-24	31-03-23	31-03-22
1	Revenue from Operations	R	14,096.18	8,245.09	3,490.58
2	Other Income	S	20.05	11.67	3.09
3	Total Income (1+2)		14,116.23	8,256.76	3,493.67
4	Expenditure				
(a)	(I) Cost of Material Consumed	T	10,125.42	6,522.47	2,762.22
	(II) Purchases of Stock-in-Trade	T	1,334.78	746.04	297.67
(b)	Change in inventories of finished goods, work in progress and stock in trade	U	155.29	(171.86)	(87.36)
(c)	Employee Benefit Expenses	V	183.53	174.96	119.74
(d)	Finance Cost	W	261.88	133.34	51.32
(e)	Depreciation and Amortisation Expenses	X	84.81	42.82	21.86
(f)	Other Expenses	Y	968.13	532.17	209.58
5	Total Expenditure 4(a) to 4(f)		13,113.84	7,979.94	3,375.05
6	Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)		1,002.40	276.83	118.62
7	Exceptional and Extra-ordinary items		-	-	-
8	Profit/(Loss) Before Tax (6-7)		1,002.40	276.83	118.62
9	Tax Expense:				
(a)	Tax Expense for Current Year		265.72	62.28	19.55
(b)	Short/(Excess) Provision of Earlier Year		-	(0.10)	(0.07)
(c)	Deferred Tax		(3.04)	6.60	10.09
	Net Current Tax Expenses		262.68	68.79	29.57
10	Profit/(Loss) for the Year (8-9)		739.72	208.04	89.06
11	Basic Earnings Per Share		37.17	10.78	4.61
12	Diluted Earnings Per Share		37.17	10.78	4.61

As per our report of even date

For K A R M A &amp; CO LLP

Chartered Accountants

Firm's Reg. No. 127544W / W100376

Sd/-

Jignesh A Dhaduk

Designated Partner

Membership No. 129149

UDIN: 24129149BKEBPB8260

Place: Ahmedabad

Date: September 02, 2024

Sd/-

Rohit Malpani

Managing Director

DIN - 08671175

Sd/-

Harsh Malpani

Chief Financial Officer

DIN – 07691974

For, Malpani Pipes and Fittings Limited

Sd/-

Mohit Malpani

Whole Time Director

DIN – 07691981

Sd/-

Hariom Patidar

Company Secretary

## Annexure III Restated Cash Flow Statement

(Rs. In Lakhs)

PARTICULARS	FOR THE YEAR ENDED		
	31-03-24	31-03-23	31-03-22
	Rupees	Rupees	Rupees
<b>A) Cash Flow from Operating Activities:</b>			
Net Profit before tax	1,002.40	276.83	118.62
Adjustment for:			
Depreciation and amortization	84.81	42.82	21.86
Interest Expense	232.13	118.55	37.32
Interest Income	(16.34)	(10.37)	(2.46)
<b>Operating profit before working capital changes</b>	<b>1,303.00</b>	<b>427.83</b>	<b>175.34</b>
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(528.40)	22.62	(354.45)
(Increase)/Decrease in Inventory	(1,103.97)	(1,303.53)	(227.76)
(Increase)/Decrease in Short Term Loans & Advances	(116.34)	(7.88)	(5.59)
(Increase)/Decrease in Other Current Assets	(120.68)	(130.61)	(87.08)
Increase/(Decrease) in Trade Payables	219.65	249.85	320.78
Increase/(Decrease) in Other Current Liabilities	(100.98)	96.69	228.04
Increase/(Decrease) in Short Term Provisions, etc	147.09	136.17	8.06
Increase/(Decrease) in Long Term Liability	(0.70)	-	-
Increase/(Decrease) in Long Term Provisions	7.70	5.75	8.29
<b>Cash generated from operations</b>	<b>(293.63)</b>	<b>(503.10)</b>	<b>65.63</b>
Direct Taxes Paid	(265.72)	(62.18)	(19.47)
<b>Net cash flow from operating activities A</b>	<b>(559.35)</b>	<b>(565.28)</b>	<b>46.15</b>
<b>B) Cash Flow from Investing Activities:</b>			
Purchase of Fixed Assets including of CWIP	(410.93)	(127.43)	(471.49)
Capital subsidy received for plant		24.12	48.24
(Purchase)/Sale of investments	-	-	-
(Increase)/Decrease in Other non-current Asset	(271.70)	(51.61)	(152.48)
Interest Income	16.34	10.37	2.46
<b>Net cash flow from investing activities B</b>	<b>(666.29)</b>	<b>(144.55)</b>	<b>(573.26)</b>
<b>C) Cash Flow from Financing Activities:</b>			
Proceeds from issue of shares	160.00	-	
Increase/(Decrease) in Short Term Borrowings	824.60	847.98	(28.92)
Increase/(Decrease) in Long Term Borrowings	245.01	213.67	615.02
Interest Expense	(232.13)	(118.55)	(37.32)
Dividend Paid	-	-	-
Adjustment in reserve and surplus	1.77	(0.86)	(5.05)
<b>Net cash flow from financing activities C</b>	<b>999.25</b>	<b>942.25</b>	<b>543.73</b>
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	(226.40)	232.41	16.62
Cash equivalents at the beginning of the year	257.58	25.16	8.54
<b>Cash equivalents at the end of the year</b>	<b>31.18</b>	<b>257.58</b>	<b>25.16</b>

Notes:

3.

Particulars	31-03-24	31-03-23	31-03-22
<b>Component of Cash and Cash equivalents</b>			
Cash on hand	29.91	28.10	10.16
Balance With banks	1.27	229.48	15.01
<b>Total</b>	<b>31.18</b>	<b>257.58</b>	<b>25.16</b>

4. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

As per our report of even date  
For K A R M A & CO LLP  
Chartered Accountants  
Firm's Reg. No. 127544W / W100376  
Sd/-  
Jignesh A Dhaduk  
Designated Partner  
Membership No. 129149  
UDIN: 24129149BKEBPB8260  
Place: Ahmedabad  
Date: September 02, 2024

For, Malpani Pipes and Fittings Limited

Sd/- Rohit Malpani Managing Director DIN - 08671175	Sd/- Mohit Malpani Whole Time Director DIN – 07691981
Sd/- Harsh Malpani Chief Financial Officer DIN – 07691974	Sd/- Hariom Patidar Company Secretary

## **Annexure – IV Summary Statement of Significant Accounting Policies & Notes to Restated Financial Information**

### **CORPORATE INFORMATION**

MALPANI PIPES AND FITTINGS LIMITED (the “**Company**”) was incorporated on February 3, 2017 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Gwalior. The Company’s registered office is situated at 65-A Sector-B, Industrial Area, Ratlam, and Madhya Pradesh, India - 457001. The company is engaged in the business of manufacturing of Variety of P pipes to be used in agriculture, water transportation or distribution, house service connection etc.

### **I. SIGNIFICANT ACCOUNTING POLICIES**

#### **A) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The Restated Statement of Assets and Liabilities (Annexure I) of the company as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 (hereinafter collectively referred to as “**Restated Financial Information**”) have been extracted by the management from the audited financial statements for the March 31, 2024, 2023 and 2022, approved by the respective Board of Directors of the companies.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### **B) USE OF ESTIMATES**

The preparation of financial statements in conformity with Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Difference between the actual result and estimates are recognized in the period in which they are known/ materialized.

#### **C) ACCOUNTING CONVENTION**

The group follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

#### **1. REVENUE RECOGNITION**

Revenue is recognized only when all the significant risks and rewards incident to ownership to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes Sales of Goods net of Goods and Services Tax, adjusted for discounts (net) and gain / Loss on corresponding hedged contracts.

Revenue/ Loss from bargain settlement of goods is recognized at the time of settlement of transactions.

Dividend income is recognized when the right to receive payment is established.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

All other income and Expenditure are recognized and accounted for on accrual basis.

## **2. PROPERTY, PLANT & EQUIPMENT'S (TANGIBLE FIXED ASSETS AND DEPRECIATION)**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value. only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Assets which are not ready for their intended use are disclosed under Capital Work-in- Progress and all the cost relating to such assets are shown under work-in-progress.

Identification of the components of Property, Plant & Equipment's as required under revised AS10 is under process.

### **DEPRECIATION:**

Depreciation on tangible fixed assets is provided on the straight line value Method over the useful lives of assets as prescribed in the schedule II of the Companies Act, 2013. Depreciation for assets purchased sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a written down value, commencing from the date the asset is available to the Company for its use.

Depreciation and Amortization methods, useful lives and residual values are reviewed periodically, at each financial year end.

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II.

## **3. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## **4. INVENTORIES**

Inventories are valued after providing for obsolescence, as follows:

- a) Raw Materials and Packing Material - Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- b) Work-in-Progress is valued at raw material cost plus proportionate conversion cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale, however due to the nature of the company the own manufactured goods are valued at a Retail Method basis on a consistent basis, however the Trading Goods are valued at the lower of Cost or Net Realizable Value.

## **5. RETIREMENT BENEFITS & OTHER EMPLOYEE BENEFITS**

### **Defined-contribution plans:**

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

In the restated financial statements, The Company has made provision for payment of Gratuity to its employees, based on the actuarial valuation report obtained from actuarial Valuer.

## **6. FOREIGN EXCHANGE TRANSACTIONS**

Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material etc. are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

## **7. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

## **8. BORROWING COSTS**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

## **9. INCOME TAX**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such

deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

## 10. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

## 11. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent liabilities are disclosed in the financial statement unless the possibility of outflow is remote. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## 12. CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## 13. SEGMENT REPORTING

The company operates in a single segment i.e. "Pipes Manufacturing" and hence does not have any additional disclosures to be made under AS - 17 Segment Reporting.

## 14. EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. In Lakhs)

Details of Gratuity Expenses	2023-24	2022-23	2021-22
<b>Profit and loss account for the period</b>			
Current service cost	7.58	5.35	2.31
Interest on obligation	1.08	0.62	0.35
Expected return on plan assets	-	-	-
Net actuarial loss/(gain)	1.90	0.05	1.02
Recognised Past Service Cost-Vested	-	-	-
Loss (gain) on curtailments	-	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>10.57</b>	<b>6.02</b>	<b>3.68</b>

<b>Reconciliation of defined benefit obligation</b>			
Opening Defined Benefit Obligation	14.80	8.78	5.10
Transfer in/(out) obligation	-	-	-
Current service cost	7.58	5.35	2.31
Interest cost	1.08	0.62	0.35
Actuarial loss (gain)	1.90	0.05	1.02
Past service cost			
Benefits paid			
prior year charge			
<b>Closing Defined Benefit Obligation</b>	<b>25.37</b>	<b>14.80</b>	<b>8.78</b>
<b>Table of experience adjustments</b>			
Defined Benefit Obligation	25.37	14.80	8.78
Plan Assets	-	-	-
<b>Surplus/(Deficit)</b>	<b>(25.37)</b>	<b>(14.80)</b>	<b>(8.78)</b>
<b>Details of Gratuity Expenses</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Reconciliation of net defined benefit liability</b>			
Net opening provision in books of accounts	14.80	8.78	5.10
Transfer in/(out) obligation			
Transfer (in)/out plan assets			
Employee Benefit Expense	10.57	6.02	3.68
Benefits paid by the Company			
Contributions to plan assets			
<b>Closing provision in books of accounts</b>	<b>25.37</b>	<b>14.80</b>	<b>8.78</b>
<b>Bifurcation of liability</b>			
Current Liability	3.64	0.77	0.49
Non-Current Liability	21.74	14.03	8.29
<b>Net Liability</b>	<b>25.37</b>	<b>14.80</b>	<b>8.78</b>
<b>Principle actuarial assumptions</b>			
Discount Rate	7.20%	7.50%	7.25%
Salary Escalation Rate	7.00%	7.00%	7.00%

## II. NOTES TO RESTATED SUMMARY STATEMENTS:

The financial statements for the year ended on 31 March 2024, 2023 and 2022 respectively are prepared as per Schedule III of the Companies Act, 2013: -

### 1. Contingent liabilities and commitments (to the extent not provided for)

A disclosure for a contingent liability is usually reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. However, there has not been any such liability/event, which qualifies as contingent liability in the restated period except reporting done.

### 2. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of the outstanding dues of Micro or Small-Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act-2006, the Company has disclosed in the Note No. 8 of the restated financial statement, the same as required by Schedule III to the Companies Act, 2013.

3. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note 28 of the enclosed restated financial statements.



4. Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income”, the disclosure of the same has been reported in the Note 4 of the enclosed restated financial statement.

**5. Directors' Remuneration:**

(Rs. in lacs)

Particulars	2023-24	2022-23	2021-22
Directors' Remuneration	103.08	70	96
<b>Total</b>	<b>103.08</b>	<b>70</b>	<b>96</b>

**6. Auditors' Remuneration:**

(Rs. in lacs)

Particulars	For the Year Ended		
	2023-24	2022-23	2021-22
i) As Auditors			
For Audit Fees	0.29	0.30	0.30
<b>Total</b>	<b>0.29</b>	<b>0.30</b>	<b>0.30</b>

7. Figures have been rearranged and regrouped wherever practicable and considered necessary.

8. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

9. The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

**10. Realizations**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

**11. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**12. Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest lacs. Figures in brackets indicate negative values.

**13. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There have been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2023-24, 2022-23 and 2021-22 which requires adjustments in restated financial statements.

**14. Material Adjustments**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Schedule VI and Accounting Standards.

Statement of Adjustments in the financial statements is presented here below:

**RECONCILIATION OF RESTATED PROFIT:****(Rs. in Lakhs)**

Adjustments for	2023-24	2022-23	2021-22
Net profit after Tax as per Audited Profit & Loss Account	736.61	220.71	78.37
<b>Adjustments for:</b>			
Increase/ (Decrease) in Interest on income tax refund		(0.25)	0.08
Excess/(Short) provision of income tax included in restatement		0.10	0.07
Reduction/ (Increase) in deferred tax expense	3.72	1.31	(0.51)
Capitalization of insurance expense on car		0.43	0.46
Reduction of depreciation due to adjustment of subsidy not considered in audit		-	10.41
Increase in depreciation		(0.42)	
Removal of depreciation reversal		(4.79)	
Change in interest on OD and term loan		(0.98)	1.38
Insurance and annual license fees prepaid		2.91	2.48
Prepaid booked in audit removed		0.33	
Prepaid of previous year booked as expense	(2.91)	(2.48)	
Increase in professional fees		(0.15)	
Gain/(Loss) on restatement of monetary item not booked in audit		(2.30)	
Gratuity Provision made in restatement		(6.02)	(3.68)
Reversal of Gain/(Loss) on restatement of monetary item	2.30	-	-
Long outstanding receivable written off		(0.08)	
Advance from customer recorded as income in audit		(0.12)	
Trade discount relating to machine reduced from asset		(0.16)	-
<b>Net Profit After Tax as Restated</b>	<b>739.72</b>	<b>208.04</b>	<b>89.06</b>

1. The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits
2. Due to changes in gratuity provision the deferred tax component on the same has also undergone change.
3. Expense not prepaid for the actual number of days incurred in the financials years. Hence we have booked the provision for prepaid expense every year.
4. The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below: -

**RECONCILIATION OF RESERVES:****(Rs. In Lakhs)**

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
<b>Reserves as per Audited Balance sheet</b>	<b>1241.97</b>	<b>396.07</b>	<b>175.37</b>
Adjustments for:			
Difference Due to Change in P&L	-	(1.98)	10.69
Prior period Adjustments (Refer Note-1)	-	(3.62)	(2.76)
Gratuity Provision Effect in Audited Financials	-	-	-
<b>Reserves as per Re-stated Balance sheet</b>	<b>1241.97</b>	<b>390.48</b>	<b>183.30</b>

**Note: 1**

Amounts of gratuity provision & adjustment of Deferred tax, restatement of GST and FD balances relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the

groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**For, K A R M A & C O L L P**  
**Chartered Accountants**  
**Firm Reg No: 127544W/W100376**

**Sd/-**  
**Jignesh A Dhaduk**  
**Designated Partner**  
**Mem. No: 129149**  
**UDIN: 24129149BKEBPB8260**  
**Date: September 02, 2024**  
**Place: Ahmedabad**

**Note – A Restated Statement of Share Capital (Rs. In Lakhs, Except Share Data)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Authorised Share Capital</b>			
Equity shares of Rs.10 each	7,500,000	2,000,000	2,000,000
Equity Share Capital (in Amount)	750.00	200.00	200.00
<b>Issued, Subscribed and Paid up Share Capital</b>			
Equity shares of Rs.10 each	2,430,000	1,930,000	1,930,000
Equity Share Capital (in Amount)	243.00	193.00	193.00
<b>Total</b>	<b>243.00</b>	<b>193.00</b>	<b>193.00</b>

**1. Terms/rights attached to equity shares:**

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.**

**3. Company does not have any Revaluation Reserve.**

**4. The reconciliation of the number of Equity shares outstanding as at: -**

Particulars	31-03-24	31-03-23	31-03-22
Number of shares at the beginning of the year	1,930,000	1,930,000	1,930,000
Add: Right Issue of shares on 16/02/2024	500,000	-	-
Number of shares at the end of the year	2,430,000	1,930,000	1,930,000

# In the month of February-2024 company has right issue of 5,00,000 shares

**5. The detail of shareholders holding more than 5% of Shares: -**

Name of Shareholders	31-03-24	31-03-23	31-03-22
Harsh Malpani	326,500	265,000	265,000
Mohit Malpani	325,000	265,000	265,000
Sunita Malpani	238,000	198,000	198,000
Hemlata Malpani	236,000	196,000	196,000
Deepak Malpani	290,000	290,000	290,000
Rohit Malpani	165,000		
Sonal Malpani	151,000	-	-
Hirendra Malpani	290,000	290,000	290,000

**6. Promoter's Shareholding**

Shares held by Promoters at the end of the years 31-03-2024			
Name	No. of Shares	% of Total Shares	% Change During the Year
Harsh Malpani	326,500	13.44%	23.21%
Rohit Malpani	165,000	6.79%	94.12%
Mohit Malpani	325,000	13.37%	22.64%

Shares held by Promoters at the end of the years 31.03.2023			
Name	No. of Shares	% of Total Shares	% Change During the Year
Harsh Malpani	265,000	13.73%	0.00%
Rohit Malpani	85,000	4.40%	0.00%
Mohit Malpani	265,000	13.73%	0.00%

Shares held by Promoters at the end of the years 31.03.2022			
Name	No. of Shares	% of Total Shares	% Change During the Year

Harsh Malpani	265,000	13.73%	0.00%
Rohit Malpani	85,000	4.40%	0.00%
Mohit Malpani	265,000	13.73%	0.00%

## 7. Equity shares movement during the restatement period

### i) Equity shares issued

The Company allotted 5,00,000 equity shares as fully paid up shares by right issue in on 16/02/2024

#### Note – B Restated Statement of Reserves and Surplus

(Rs. In Lakhs)

Surplus in Profit and Loss account	31-03-24	31-03-23	31-03-22
Balance as per the last financial statements	339.28	132.10	45.80
Add: Adjustment of GST difference 20-21			0.71
Add: Difference in deferred tax 20-21			1.28
Add: Difference in round off 20-21			0.00
Add: Decrease in depreciation			0.29
Add/(Less): Profit/(loss) for the Year	739.72	208.04	89.06
Add : Adjustment for Difference in GST	1.77	(0.86)	0.17
Add : Adjustment for Difference in FD			0.01
Less : Writing off FD interest receivable			(0.13)
Less: Adjustment for Opening Gratuity Provision		-	(5.10)
	<b>1,080.77</b>	<b>339.28</b>	<b>132.10</b>
<b>Other Reserves</b>			
Security Premium	51.20	51.20	51.20
Add : Premium on right issue of shares	110.00		
<b>Balance as at the end of Financial Year</b>	<b>1,241.97</b>	<b>390.48</b>	<b>183.30</b>

#### Note – C Restated Statement of Long-Term Borrowings

(Rs. In Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>(a) Secured Loans</b>			
- Vehicle Loans	17.66	25.12	14.41
- ICICI Bank Term Loan	7.85	23.54	60.89
- SIDBI Term loan	566.11	353.03	425.63
<b>Sub-total (a)</b>	<b>591.62</b>	<b>401.69</b>	<b>500.94</b>
<b>(b) Loans and advances from related parties &amp; Others (Unsecured)</b>			
<b>(i) From Directors &amp; Relatives</b>			
Deepak Malpani	110.00	112.49	30.00
Harshita Malpani	56.75	20.70	10.00
Hemlata Malpani	47.00	5.46	4.00
Hirendra Malpani	63.50	115.62	90.00
Rini Neema	36.50	10.97	10.00
Sonal Malpani	24.50	5.49	5.00
Sunita Malpani	23.00	5.49	5.00
Tirupati Industries	54.00	125.51	-
Harsh Malpani	50.25	14.23	5.00
Mohit Malpani	30.00	5.49	5.00
Rohit Malpani	41.50	5.49	5.00
WM Industries Pvt. Ltd.	-	55.00	-
<b>Sub-total (b)</b>	<b>537.00</b>	<b>481.93</b>	<b>169.00</b>
<b>Total (a+b)</b>	<b>1,128.62</b>	<b>883.61</b>	<b>669.94</b>

**Notes:** The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-3 (A).

**Note 3(A) Principal Terms of Secured Loans and Assets Charged as Security**

**D) SECURED LOAN FROM BANKS (LONG TERM)**

**(Rs. in Lakhs)**

No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Tenure	Amount of EMI	31-03-24	31-03-23	31-03-22
1	ICICI Bank -368	Vehicle Loan	19.50	7.60%	Hypothecation of Vehicle	60 Months	0.40	6.64	10.68	14.41
2	ICICI Bank-524	Vehicle Loan	18.35	8.40%	Hypothecation of Vehicle	60 Months	0.38	11.02	14.44	-
3	ICICI Bank-1001	Working Capital Term Loan	27.50	Repo rate 6.5%+Spread 2.4%	Movable and Immovable Properties and Current Assets	60 Months	1.31	7.85	23.54	39.23
4	ICICI Bank-0049	Working Capital Term Loan	30.00	9.50%	Secured by government guarantee	36 Months	0.83	-	-	21.67
5	SIDBI-3XJ0	Machinery Loan	284.00	2.15%+Repo rate	Hypothecation of Machinery and fixed deposits	78 Months	3.64	167.52	211.20	254.88
6	SIDBI-04499	Machinery Loan	187.62	2.15%+Repo rate		78 Months	2.41	112.91	141.83	170.75
7	SIDBI-8CXK	Machinery Loan	490.29	2.00%+Repo rate		54 Months	9.10	285.68	-	-
<b>Total</b>								<b>591.62</b>	<b>401.69</b>	<b>500.94</b>

**Note 1** The sanctioned amount is mentioned as per the revised sanction letters

**II) SECURED LOAN FROM BANKS (SHORT TERM)**
**(Rs. in Lakhs)**

No.	Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Tenure	Amount of EMI	31-03-24	31-03-23	31-03-22
1	ICICI Bank -368	Vehicle Loan	19.50	7.60%	hypothecation of Vehicle	60 Months	0.40	4.03	3.74	3.46
2	ICICI Bank-524	Vehicle Loan	18.35	8.40%	hypothecation of Vehicle	60 Months	0.38	3.42	3.16	-
3	ICICI Bank-1001	Working Capital Term Loan	27.50	Repo rate 6.5%+Spread 2.4%	Movable and Immovable Properties and Current Assets	60 Months	1.31	15.69	15.69	15.69
4	ICICI Bank-0049	Working Capital Term Loan	30.00	9.50%	Secured by government guarantee	36 Months	0.83	-	21.67	8.33
5	SIDBI-3XJ0	Machinery Loan	284.00	2.15%+Repo rate	hypothecation of Machinery and fixed deposits	78 Months	3.64	43.68	43.68	29.12
6	SIDBI-04499	Machinery Loan	187.62	2.15%+Repo rate		78 Months	2.41	28.92	28.92	16.87
7	SIDBI-8CXK	Machinery Loan	490.29	2.00%+Repo rate		54 Months	9.10	54.60	-	-
8	ICICI Bank-4532	Overdraft	1,000.00		Refer note -1		-	-	958.79	153.85
9	ICICI Bank-2561	Overdraft					-	-	-	0.34
10	YES Bank - 0960	Cash Credits	500.00	Effective Rate of Interest (ROI) is 9.25% p.a. which is 2.75% (Spread / Markup) over and	CC repayable on demand		-	450.59	-	

				above External Benchmar k Lending Rate.						
11	ICICI Bank-0412	Cash Credits	1,300.00	Repo rate 6.5%+Spr ead 2.4%	CC repayable on demand	-	-	1,299.31		
<b>Total</b>								<b>1,900.25</b>	<b>1,075.65</b>	<b>227.67</b>

**Note:** In above table serial no 1 to 7 represent the amount of current maturity of long term debts.

### **Note 1 Credit facilities issued by ICICI Bank**

#### **1. Collateral Security: -**

- i) Exclusive Charge by way of Hypothecation on Current Assets for both present and future and the same shall be repayable on demand
- ii) Extension of charges by way of equitable mortgage on following property
  - a. Plot No. 64-A-2, Sector- B, -, Industrial Area, Ratlam, M.P., India, 457001
  - b. Plot No. 64-A-1, Sector- B, -, Industrial Area, Ratlam, M.P., India, 457001
  - c. Industrial Property Bhukhand Kr. 65-A, Industrial Area Ratlam MP
  - d. Plot No. 68, Yojna No 20, Ward No. 33 Shastri, Nagar, Ratlam MP
  - e. Property Plot No 4, Scheme No., 20, Shastri, Nagar Ratlam MP

#### **2. Rate of Interest:**

"The rate of interest of the Facility stipulated by the Bank shall be sum of the Repo Rate plus 'Spread' per annum."  
As on date the Repo Rate is 6.50%

#### **3. Personal Guarantee of**

1. Deepak Malpani
2. Hemlata Malpani
3. Hirendra Malpani
4. Mohit Malpani
5. Rohit Malpani
6. Sonal Malpani
7. Sunita Malpani
8. Harsh Malpani



**NOTE - D Restated Statement of Deferred Tax (Assets) / Liabilities****(Rs. In Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Opening Balance (A)</b>			
Opening Balance of Deferred Tax (Asset) / Liability	22.33	15.73	5.63
<b>Closing Balances (B)</b>			
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	25.67	26.06	17.94
(DTA) / DTL on account of gratuity provision	(6.39)	(3.73)	(2.21)
<b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>	<b>19.29</b>	<b>22.33</b>	<b>15.73</b>
<b>Current Year Provision (B-A)</b>	<b>(3.04)</b>	<b>6.60</b>	<b>10.09</b>

**Note – E Restated Statement of Other Long-Term Liabilities****(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Deposits from Dealers	-	0.70	0.70
<b>Total</b>	<b>-</b>	<b>0.70</b>	<b>0.70</b>

**NOTE – F Restated Statement of Long-Term Provision****(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Gratuity Provisions	21.74	14.03	8.29
<b>Total</b>	<b>21.74</b>	<b>14.03</b>	<b>8.29</b>

**Note – G Restated Statement of Short-Term Borrowings****(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Current Maturity of Long Term Debts</b>			
Vehicle Loans	7.45	6.90	3.46
Term Loans - ICICI Bank	15.69	37.36	24.02
Term Loans - SIDBI	127.20	72.60	45.99
<b>Loan Repayable on Demand</b>			
From Banks			
ICICI Bank - OD Account -4532	-	958.79	153.85
ICICI Bank - OD Account -2561	-	-	0.34
YES Bank - 0960	450.59	-	-
ICICI Bank-0412	1,299.31	-	-
<b>Total</b>	<b>1,900.25</b>	<b>1,075.65</b>	<b>227.67</b>

**Note:**

- The terms and conditions and other information in respect of Secured Loans are given in NOTE-3 (A).

**Note – H Restated Statement of Trade Payables****(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Trade Payables</b>			
Outstanding due to Micro and Small Enterprises (A)	<b>72.70</b>	<b>33.33</b>	<b>90.32</b>
Outstanding due to Creditors other than Micro and Small Enterprises (B)	<b>948.15</b>	<b>767.87</b>	<b>461.02</b>
<b>Total (A+B)</b>	<b>1,020.85</b>	<b>801.20</b>	<b>551.35</b>

**1. Trade Payables ageing schedule as on 31.03.2024**

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	72.70				<b>72.70</b>
(ii)Others	948.15				<b>948.15</b>

(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

## 2. Trade Payables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	31.33	2.00			<b>33.33</b>
(ii)Others	755.51	5.09	7.27		<b>767.87</b>
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

## 3. Trade Payables ageing schedule as on 31.03.2022

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	90.32	-			<b>90.32</b>
(ii)Others	442.17	15.98	2.87	-	<b>461.02</b>
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

### Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

### NOTE – I Restated Statement of Other Current Liabilities

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Statutory Dues</b>			
PF Payable	1.86	1.14	0.06
ESIC Payable	0.06	0.09	0.02
GST payable	9.70	0.23	2.15
TDS Payable	11.55	34.12	9.13
TCS Payable	0.45	1.86	0.31
PT Payable	0.84		
<b>Other Liabilities</b>			
Advance received form Customers	177.00	299.10	248.03
Advance received form farmers	53.97	19.85	-
<b>Total</b>	<b>255.41</b>	<b>356.39</b>	<b>259.70</b>

### NOTE – J Restated Statement of Short-Term Provisions

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Short Term Provisions</b>			
Provision for Income Tax	265.72	62.28	19.55
Gratuity Provision	3.64	0.77	0.49
Audit fees payable	0.29	0.30	0.30
Provision for salary	9.48	80.23	-
Provision for electricity	24.47	12.93	-
<b>Total</b>	<b>303.60</b>	<b>156.51</b>	<b>20.34</b>

NOTE – K Restated Statement of Property, Plant and Equipment

(Rs. in Lakhs)

F.Y. 2023-24

Particulars	Gross Block					Depreciation				Net Block	
	As at 01.04.2023	Additions	Deletions	Adjustment of subsidy	As at 31.03.2024	As at 01.04.2023	Additions	Deletions	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
<b>Property, Plant and Equipment</b>											
<b>A) Tangible Assets</b>											
<b>I. Other Tangible Assets</b>											
Office Building	156.00	-	-	-	156.00	9.72	4.87	-	14.59	141.42	146.29
Land	5.77	47.07	-	-	52.84	-	-	-	-	52.84	5.77
Furniture & Fixtures	3.21	0.34	-	-	3.55	0.82	0.32	-	1.15	2.40	2.39
Office Equipments	11.11	2.87	-	-	13.97	5.23	3.00	-	8.24	5.73	5.87
Vehicles	60.48	-	-	-	60.48	13.01	7.18	-	20.19	40.29	47.47
Plant & Machinery	570.38	-	-	-	570.38	64.82	66.55	-	131.37	439.01	505.56
Lab Equipment	24.09	11.65	-	-	35.74	3.77	2.79	-	6.56	29.18	20.32
<b>B) Intangible Assets</b>											
Software	0.39	0.17	-	-	0.57	0.31	0.09	-	0.40	0.16	0.08
<b>Total</b>	<b>831.44</b>	<b>62.10</b>	<b>-</b>	<b>-</b>	<b>893.54</b>	<b>97.68</b>	<b>84.81</b>	<b>-</b>	<b>182.49</b>	<b>711.05</b>	<b>733.76</b>
<i>Previous Year</i>	<i>259.33</i>	<i>596.23</i>	<i>-</i>	<i>-</i>	<i>831.44</i>	<i>54.86</i>	<i>42.82</i>	<i>-</i>	<i>97.68</i>	<i>733.76</i>	<i>204.47</i>

(iii) Capital Work-in-progress

Particulars	31-Mar-24	31-Mar-23
Opening Balance	0.00	468.81
<b>Add: Addition during the year</b>	<b>-</b>	<b>-</b>
New building	70.52	0.00
New Plant and machinery	278.31	0.00
Less: Capitalised during the year	0.00	468.81
<b>Closing Balance</b>	<b>348.83</b>	<b>-</b>

**Capital Work-in-Progress Aging Schedule**

Capital Work-in-Progress	Amount in CWIP for a period of				31-Mar-24
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	348.83	0.00			<b>348.83</b>
Projects temporarily suspended					-

F.Y. 2022-23

Particulars	Gross Block					Depreciation				Net Block	
	As at 01.04.2022	Additions	Deletions	Adjustment of subsidy	As at 31.03.2023	As at 01.04.2022	Additions	Deletions	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>Property, Plant and Equipment</b>											
<b>A) Tangible Assets</b>											
<b>I. Other Tangible Assets</b>											
Office Building	82.72	97.40	-	24.12	156.00	6.95	2.77	-	9.72	146.29	75.77
Land	5.77	-	-	-	5.77	-	-	-	-	5.77	5.77
Furniture & Fixtures	3.21	-	-	-	3.21	0.52	0.31	-	0.82	2.39	2.69
Office Equipments	6.70	4.40	-	-	11.11	2.56	2.67	-	5.23	5.87	4.14
Vehicles	38.91	21.57	-	-	60.48	7.63	5.38	-	13.01	47.47	31.28
Plant & Machinery	108.12	462.26	-	-	570.38	34.85	29.97	-	64.82	505.56	73.27
Lab Equipment	13.53	10.56	-	-	24.09	2.16	1.61	-	3.77	20.32	11.37
<b>B) Intangible Assets</b>											
Software	0.35	0.04	-	-	0.39	0.19	0.12	-	0.31	0.08	0.16
<b>Total</b>	<b>259.33</b>	<b>596.23</b>	<b>-</b>	<b>24.12</b>	<b>831.44</b>	<b>54.86</b>	<b>42.82</b>	<b>-</b>	<b>97.68</b>	<b>733.76</b>	<b>204.47</b>
<i>Previous Year</i>	<i>279.91</i>	<i>27.66</i>	<i>-</i>	<i>48.24</i>	<i>259.33</i>	<i>33.00</i>	<i>21.86</i>	<i>-</i>	<i>54.86</i>	<i>204.47</i>	<i>246.92</i>

(iii) Capital Work-in-progress

Particulars	31-Mar-23	31-Mar-22
Opening Balance	468.81	24.98

<b>Add: Addition during the year</b>	-	-
New building	0.00	1.50
New Plant and machinery	0.00	442.33
Less: Capitalised during the year	468.81	0.00
<b>Closing Balance</b>	-	<b>468.81</b>

### Capital Work-in-Progress Aging Schedule

Capital Work-in-Progress	Amount in CWIP for a period of				31-Mar-22
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	0.00			-
Projects temporarily suspended					-

F.Y. 2021-22

Particulars	Gross Block					Depreciation				Net Block	
	As at 01.04.2021	Additions	Deletions	Adjustment of subsidy	As at 31.03.2022	As at 01.04.2021	Additions	Deletions	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>Property, Plant and Equipment</b>											
<b>A) Tangible Assets</b>											
Office Building	82.72	-	-	-	82.72	4.33	2.62	-	6.95	75.77	78.39
Land	5.77	-	-	-	5.77	-	-	-	-	5.77	5.77
Furniture & Fixtures	2.88	0.33	-	-	3.21	0.25	0.27	-	0.52	2.69	2.64
Office Equipments	4.87	1.83	-	-	6.70	0.92	1.65	-	2.56	4.14	3.95
Vehicles	13.97	24.94	-	-	38.91	4.27	3.35	-	7.63	31.28	9.70
Plant & Machinery	156.36	-	-	48.24	108.12	22.24	12.61	-	34.85	73.27	134.12
Lab Equipment	12.98	0.56	-	-	13.53	0.91	1.25	-	2.16	11.37	12.07
<b>B) Intangible Assets</b>											
Software	0.35	-	-	-	0.35	0.09	0.11	-	0.19	0.16	0.27
<b>Total</b>	<b>279.91</b>	<b>27.66</b>	<b>-</b>	<b>48.24</b>	<b>259.33</b>	<b>33.00</b>	<b>21.86</b>	<b>-</b>	<b>54.86</b>	<b>204.47</b>	<b>246.92</b>
<i>Previous Year</i>	<b>223.73</b>	<b>56.18</b>	<b>-</b>	<b>-</b>	<b>279.91</b>	<b>9.20</b>	<b>23.80</b>	<b>-</b>	<b>33.00</b>	<b>246.92</b>	<b>214.53</b>

**Capital Work-in-progress**

Particulars	31-Mar-22	31-Mar-21
Opening Balance	24.98	-
<b>Add: Addition during the year</b>	-	-
New building	1.50	24.98
New Plant and machinery	442.33	-
Less: Capitalised during the year	-	-
<b>Closing Balance</b>	<b>468.81</b>	<b>24.98</b>

**Capital Work-in-Progress Aging Schedule**

Capital Work-in-Progress	Amount in CWIP for a period of			
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years
Projects in progress	443.83	24.98		
Projects temporarily suspended				

**Note – L Restated Statement of other Non-Current Asset****(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Security deposit MP DTIC	2.08	0.02	
Axis Bank FD A/c No 919040066165942	-	-	5.00
Axis Bank FD A/c No 919040066166123	-	5.00	5.00
Axis Bank FD Interest Receivable A/c	-	-	0.04
Directorate of Agriculture Engineering, Bhopal (SD)	4.00	2.00	2.00
Government e Marketplace (Caution Money)	0.10	0.10	0.10
ICICI Bank FD A/c No 039013003358	2.37	2.26	2.14
ICICI Bank FD A/c No 039013003479		-	5.33
ICICI Bank FD A/c No 039013003707	2.91	2.77	2.63
ICICI Bank FD A/c No 039013004116	-	-	5.17
ICICI Bank FD A/c No 039013004117	-	-	10.32
ICICI Bank FD A/c No 039013004252	-	-	3.09
IDFC Bank FD A/c No 10053960816	1.00	1.00	1.00
ICICI Bank FD A/c No 039010001992	-	4.00	-
ICICI Bank FD A/c No 039010001993	-	7.07	-
ICICI Bank FD A/c No 039013007757	-	10.16	-
ICICI Bank FD A/c No 039013007758	-	10.17	-
ICICI Bank FD A/c No 039013007780	-	0.10	-
ICICI Bank FD A/c No 039013007954	-	4.06	-
ICICI Bank FD A/c No 039013007955	-	6.09	-
ICICI Bank FD A/c No 039013007956	-	5.07	-
ICICI Bank FD A/c No 039013008003	-	2.03	-
ICICI Bank FD A/c No 658213003947	0.33	0.31	-
ICICI Bank FD A/c No 658213003956	1.10	1.05	-
ICICI Bank FD A/c No 658213003957	0.55	0.52	-
ICICI Bank FD A/c No 658213003958	-	0.21	-
ICICI Bank FD A/c No 658213003959	0.55	0.52	-
ICICI Bank FD Interest Receivable A/c	0.02	1.83	-
M.P.E.B. Security Deposit	44.32	40.09	19.31
Prajkti Mahesh Sali, Nashik (Security Deposit )	-	0.15	0.15
SIDBI FD A/c No INDFD04570	78.53	71.00	71.00

SIDBI FD A/c No INDFD04590	62.85	57.00	57.00
SIDBI FD A/c No INDFD07010	123.41	-	-
Security Deposit – Mission Sanchalaya CG PHED	10.00	-	-
SIDBI FD Interest Receivable A/c	0.00	6.78	0.48
ICICI Bank FD A/c No 658213008072	20.22	-	-
ICICI Bank FD A/c No 658213008148	151.24	-	-
Preliminary expenses - IPO Advisory	7.50	-	-
<b>Total</b>	<b>513.07</b>	<b>241.37</b>	<b>189.76</b>

**Note – M Restated Statement of Trade Receivables**

**(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Trade Receivables</b>			
(a) Secured, considered good			
(b) Unsecured, considered good	1,133.05	612.86	635.48
(C) Disputed, considered good	8.20	-	-
<b>Total</b>	<b>1,141.26</b>	<b>612.86</b>	<b>635.48</b>

**1. Trade Receivables ageing schedule AS AT 31.03.2024**

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,095.65	17.73	7.35	3.59	8.73	<b>1,133.05</b>
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good	-	-	3.59	-	4.62	<b>8.20</b>
(iv) Disputed Trade Receivables considered doubtful						

**2. Trade Receivables ageing schedule AS AT 31.03.2023**

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	506.49	31.57	54.73	7.41	12.66	<b>612.86</b>
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

### 3. Trade Receivables ageing schedule AS AT 31.03.2022

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	478.85	89.93	47.64	18.67	0.39	<b>635.48</b>
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

#### Note – N Restated Statement of Cash & Cash Equivalents

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Cash and Cash Equivalents</b>			
Cash on Hand	29.91	28.10	10.16
<b>Balances with Banks</b>			
ICICI Bank - Current A/c	0.77	-0.52	0.34
Axis bank current account	-	0.00	14.50
IDFC bank current account	-	-	0.17
ICICI Bank - FD-1991	-	230.00	
Yes Bank current account	0.50	-	-
<b>Total</b>	<b>31.18</b>	<b>257.58</b>	<b>25.16</b>

#### Note – O Restated Statement Of Inventories

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
Raw Material	2717.76	1402.58	317.37
Consumables	15.53	5.44	3.04
Fitting and attachment	30.57	96.57	52.51
Finished Goods	122.29	277.58	105.72
<b>Total</b>	<b>2,886.14</b>	<b>1,782.17</b>	<b>478.64</b>

#### Note – P Restated Statement Of Short-Term Loans And Advances

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Unsecured, Considered Good unless otherwise stated</b>			
Advance to creditor	79.81	13.46	5.59
Advance in relation to capital goods	50.00	-	-
<b>Total</b>	<b>129.81</b>	<b>13.46</b>	<b>5.59</b>

#### Note – Q Restated Statement Of Other Current Assets

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Balance with Revenue Authorities</b>			
Advance Tax	250.00	55.00	14.00
TDS Receivables	16.03	7.24	5.13
TCS Receivables	0.00	0.27	0.44
GST receivable	101.41	187.29	98.38



Income tax refund - FY 2019-20		-	1.41
Income tax refund - FY 2020-21		-	0.20
<b>Other Current Assets</b>			
Prepaid Expense	5.95	2.91	2.55
<b>Total</b>	<b>373.39</b>	<b>252.71</b>	<b>122.10</b>

**Note – R Restated Statement of Revenue from Operations**

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Sale of products - manufactured goods</b>	12,596.83	7,423.55	3,076.32
<b>Sale of products - traded goods</b>	1,369.00	761.00	303.00
<b>Sale of services</b>	127.17	49.12	101.94
<b>Other operating income</b>			
-Freight & Cartage - Outward	0.23	-	0.06
-Trade Discount Received	2.62	11.42	9.16
-Material Inspection Charges	0.33	-	0.10
<b>Total</b>	<b>14,096.18</b>	<b>8,245.09</b>	<b>3,490.58</b>

**Note – S Restated Statement of other Income**

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
Interest on Income tax refund	-	0.04	0.08
Interest from Fixed Deposits	16.34	10.37	2.46
Interest on MPEB deposit	2.68	1.27	0.55
Profit Earned On Duty Credits	1.03		
<b>Total</b>	<b>20.05</b>	<b>11.67</b>	<b>3.09</b>

**Note – T Restated Statement of Purchase Of Stock In Trade**

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
Purchases of Stock	1,334.78	746.04	297.67
	<b>1,334.78</b>	<b>746.04</b>	<b>297.67</b>

**Restated Statement of Cost of Material Consumed**

(Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
<b>Raw Material Consumed</b>			
<b>Opening Stock</b>			
Fittings & Attachments	96.57	52.51	0.10
Consumables	5.44	3.04	0.17
Raw Material	1,402.58	317.37	232.24
	<b>1,504.59</b>	<b>372.92</b>	<b>232.51</b>
<b>Purchases</b>	11,384.69	7,654.14	2,902.63
<b>Less: Closing Stock</b>			
Fittings & Attachments	30.57	96.57	52.51
Consumables	15.53	5.44	3.04
Raw Material	2,717.76	1,402.58	317.37
	<b>2,763.85</b>	<b>1,504.59</b>	<b>372.92</b>
<b>Total</b>	<b>10,125.42</b>	<b>6,522.47</b>	<b>2,762.22</b>

**Note – U Restated Statement Of Change In Inventories (Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Opening Stock of Finished Goods	277.58	105.72	18.37
Closing Stock of Finished Goods	122.29	277.58	105.72
<b>Increase/(Decrease) in Stock</b>	<b>155.29</b>	<b>(171.86)</b>	<b>(87.36)</b>

**Note – V Restated Statement Of Employee Benefits Expense (Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Salary and Wages	124.30	108.45	79.81
Remuneration to Directors & MD	38.52	54.00	36.00
Contribution to PF and Other Funds	10.14	6.49	0.25
Gratuity Expenses	10.57	6.02	3.68
<b>Total</b>	<b>183.53</b>	<b>174.96</b>	<b>119.74</b>

**Note – W Restated Statement of Finance Cost (Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Interest Expense</b>			
Interest on Over Draft	95.59	48.08	28.91
Interest on Term Loan	42.86	40.00	6.74
Interest on LCBD	31.92	-	0.07
Interest on Unsecured Loan	61.75	30.47	1.59
<b>Other Borrowing Cost</b>			
Bank Charges	10.77	6.88	2.44
Loan Processing Charges	18.98	7.91	11.57
<b>Total</b>	<b>261.88</b>	<b>133.34</b>	<b>51.32</b>

**Note – X Restated Statement Of Depreciation & Amortisation (Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Depreciation and Amortisation Expenses	84.81	42.82	21.86
<b>Total</b>	<b>84.81</b>	<b>42.82</b>	<b>21.86</b>

**Note – Y Restated Statement of other Expenses (Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
<b>Manufacturing Expense:</b>			
Freight & Packing Expenses	407.36	214.12	50.02
Fuel expense	0.17	0.29	0.28
Electricity expense	259.03	195.22	113.90
Material testing	1.06	13.64	6.27
Charges Related to Clearance of Imported Material	122.34	34.47	0.92
<b>Other Expenses</b>			
Discount /Round off	1.40	0.79	0.10
Machine Maintenance Expenses	15.94	13.63	7.41
Marketing, Advertisement & Business Promotion Expenses	6.73	3.27	2.59
Calibration charges	-	-	0.30
Audit Fees	0.29	0.30	0.30
Donation Expenses	0.52	0.80	-
Professional / Consultancy Fees	4.27	1.97	3.26
Interest, Late Fees on Statutory Dues	6.88	3.40	0.15
Insurance Expenses	4.69	2.42	0.24
Office Expenses	3.95	2.03	1.87

Storage, Warehousing and Other Related Services	15.56	2.98	-
Testing, Inspection & Annual Licence Fees	85.40	29.08	14.42
Engraving charges	-	-	0.50
Vehicle Expenses	4.90	3.02	1.23
Stationary & Postage Expense	2.47	1.45	0.41
Registration Fees for Governmental Agencies	1.95	1.50	4.51
Lease Rent & Maintenance Charges	1.37	1.14	0.69
Legal Expenses & MCA Fees & Others	5.35	1.01	-
Loss On Forex Exchange Fluctuation	16.47	5.59	0.21
Professional Tax	-	0.05	-
GST Expense	0.02	-	-
<b>Total</b>	<b>968.13</b>	<b>532.17</b>	<b>209.58</b>

**Note – Z Restated Summary Statement Of Contingent Liabilities**

**(Rs. in Lakhs)**

Particulars	31-03-24	31-03-23	31-03-22
Contingent liabilities in respect of:			
Claims against the company not acknowledged as debts (TDS Defaults) *	6.26	5.58	-
Guarantees given on Behalf of the Company			
Guarantees given on Behalf of the Subsidiary Company	-	-	-
Other moneys for which the company is contingently liable	-	-	-
Commitments (to the extent not provided for)	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-
Other commitments**	23.00	-	-
<b>Total</b>	<b>29.26</b>	<b>5.58</b>	<b>-</b>

**Note:**

\*\* As on 31.03.2024 company has issued bank guarantee of Rs. 23,00,000 out of total sanction limit of 30,00,000 from ICICI Bank

\* As of 31.03.2024, Balance of Claims against the company not acknowledged as debts (TDS Defaults) is Rs. 626370

**Note – AA Restated Statement Of Related Party Transactions**

**(D) List of Related parties**

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Rohit Malpani	Key Managerial Person
2	Mohit Malpani	Key Managerial Person
3	Harsh Malpani	Key Managerial Person
4	Sonal Malpani	Relatives of KMP
5	Hemlata Malpani	Relatives of KMP
6	Sunita Malpani	Relatives of KMP
7	Hirendra Malpani	Relatives of KMP
8	Deepak Malpani	Relatives of KMP
9	Harshita Malpani	Relatives of KMP

10	Rini Malpani	Relatives of KMP
11	Super Cube Enterprise	Entity in which relatives of KMP are interested
12	Malpani Plastics PVT LTD	Entity in which relatives of KMP are interested
13	Malpani Pipe Industries	Entity in which relatives of KMP are interested
14	Tirupati Industries	Entity in which relatives of KMP are interested
15	WM Industries Pvt. Ltd.	Entity in which relatives of KMP are interested
16	Terex Industries Pvt. Ltd.	Entity in which relatives of KMP are interested

**(E) Transaction with related Parties: -**

**(Rs. In Lakhs)**

SI No.	Particulars	For the financial year/Period ended		
		2023-24	2022-23	2021-22
<b>1</b>	<b>Remuneration Paid to Directors</b>			
i)	Rohit Malpani	12.84	18.00	12.00
ii)	Mohit Malpani	12.84	18.00	12.00
iii)	Harsh Malpani	12.84	18.00	12.00
<b>2</b>	<b>Salary paid to relative of director</b>			
i)	Sonal Malpani	12.84	18.00	12.00
ii)	Hemlata Malpani	12.96	18.00	12.00
iii)	Sunita Malpani	12.84	18.00	12.00
iv)	Harshita Malpani	12.96	18.00	12.00
v)	Rini Malpani	12.96	18.00	12.00
<b>3</b>	<b>Interest on Unsecured loan</b>			
i)	Rohit Malpani	0.79	0.54	-
ii)	Mohit Malpani	0.49	0.54	-
iii)	Harsh Malpani	2.80	0.81	-
iv)	Sonal Malpani	0.49	0.54	-
v)	Hemlata Malpani	0.99	0.51	-
vi)	Sunita Malpani	0.49	0.54	-
vii)	Hirendra Malpani	9.50	10.14	-
viii)	Deepak Malpani	10.07	8.33	-
ix)	Harshita Malpani	2.06	1.34	-
x)	Rini Malpani	0.99	1.08	-
xi)	Tirupati Industries	14.07	6.12	1.59
xii)	WM Industries pvt. Ltd.	3.82	-	-
<b>4</b>	<b>Sales of Goods</b>			
i)	Malpani Plastics PVT LTD	8.05	0.55	46.87
ii)	Tirupati Industries			43.52
<b>5</b>	<b>Purchase of Goods</b>			
i)	Super Cube Enterprise	87.49	733.51	-
ii)	Malpani Pipe Industries	85.86	218.64	386.30
iii)	Tirupati Industries	87.36	1.74	19.60
iv)	Terex Industries Pvt. Ltd.	171.44	-	-
<b>6</b>	<b>Loan Taken by the Company</b>			
i)	Harsh Malpani	54.50	8.50	5.00
ii)	Rohit Malpani	36.50	-	5.00
iii)	Mohit Malpani	25.00	-	5.00
iv)	WM Industries pvt. Ltd.	236.00	55.00	-
v)	Harshita Malpani	36.75	9.50	10.00
vi)	Hemlata Malpani	42.00	1.00	32.50

vii)	Rini Malpani	26.50	-	10.00
viii)	Sonal Malpani	19.50	-	5.00
ix)	Sunita Malpani	18.00	-	5.00
x)	Tirupati Industries	117.50	120.00	124.59
xi)	Deepak Malpani	-	85.00	30.00
xii)	Hirendra Malpani	-	16.50	90.00
<b>7</b>	<b>Loan Paid back by the Company</b>			
i)	Harsh Malpani	21.00	-	0.00
ii)	Rohit Malpani	1.20	-	
iii)	Mohit Malpani	0.93	-	
iv)	WM Industries pvt. Ltd.	294.44	-	
v)	Harshita Malpani	2.56	-	
vi)	Hemlata Malpani	1.34	-	28.50
vii)	Rini Malpani	1.86	-	
viii)	Sonal Malpani	0.93	-	
ix)	Sunita Malpani	0.93	-	
x)	Tirupati Industries	201.67	-	124.59
xi)	Deepak Malpani	11.55	10.00	
xii)	Hirendra Malpani	60.67	-	

**(F) Balance Outstanding**

<b>1</b>	<b>Loan Payable Balances</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
i)	Harsh Malpani	50.25	14.23	5.00
ii)	Rohit Malpani	41.50	5.49	5.00
iii)	Mohit Malpani	30.00	5.49	5.00
iv)	Deepak Malpani	110.00	112.49	30.00
v)	Harshita Malpani	56.75	20.70	10.00
vi)	Hemlata Malpani	47.00	5.46	4.00
vii)	Hirendra Malpani	63.50	115.62	90.00
viii)	Rini Malpani	36.50	10.97	10.00
ix)	Sonal Malpani	24.50	5.49	5.00
x)	Sunita Malpani	23.00	5.49	5.00
xi)	Tirupati Industries	54.00	125.51	0.00
xii)	WM Industries pvt. Ltd.	0.00	55.00	0.00
<b>2</b>	<b>Remuneration Payables</b>			
ii)	Harsh Malpani		1.41	-
iv)	Mohit Malpani		14.91	-
vi)	Rohit Malpani		10.91	-
<b>3</b>	<b>Salary Payables</b>			
i)	Harshita Malpani	-	14.91	-
ii)	Hemlata Malpani		5.41	-
iii)	Rini Malpani		14.91	-
iv)	Sonal Malpani		8.91	-
v)	Sunita Malpani		5.91	-

**Note – AB Restated Statement of Tax Shelter**

**(Rs. In Lakhs)**

<b>Particulars</b>	<b>31-03-24</b>	<b>31-03-23</b>	<b>31-03-22</b>
Restated profit before tax as per books (A)	1,002.40	276.83	118.62
Tax Rates			

Income Tax Rate (%)	25.17%	25.17%	25.17%
Minimum Alternative Tax Rate (%)	0.00%	0.00%	0.00%
<b>Adjustments:</b>			
Income Considered Separately			
Disallowed	17.53	3.40	3.83
Timing Difference ©			
Book Depreciation	84.81	42.82	21.86
Income Tax Depreciation allowed	89.06	42.40	64.55
Total Timing Difference	(4.25)	0.42	(42.69)
Allowed			
Net Adjustment D= (B+C)	13.28	3.82	(38.86)
Tax Expenses			-
Income from Capital Gains (E)			-
Income from Other Sources (G)			-
Deduction under chapter VI (H)		-	-
Taxable Income/(Loss) (A+D+E+G-H)	1,015.67	280.65	79.76
Income Tax on Above	255.62	70.63	20.08
MAT on Book Profit			
Tax paid as per normal or MAT	Normal	Normal	Normal
Interest Payable	10.10	-	-
Total Provision for Tax	265.72	70.63	20.08

**Note – AC Capitalisation Statement**

**(Rs. in Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1900.25	*
Long Term Debt (B)	1128.62	*
<b>Total debts (C)</b>	<b>3028.87</b>	*
<b>Shareholders' funds</b>		
Equity share capital	243.00	*
Reserve and surplus - as restated	1,241.97	*
<b>Total shareholders' funds</b>	1,484.97	*
<b>Long term debt / shareholders' funds (in Rs.)</b>	0.76	*
<b>Total debt / shareholders' funds (in Rs.)</b>	2.04	*

(\* ) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Note – AD Restated Statement Of Mandatory Accounting Ratios (Rs. in Lakhs Except Per Share Data)**

Particulars	31-03-24	31-03-23	31-03-22
Net Worth (A)	1,477.47	583.48	376.30
Adjusted Profit after Tax (B)	739.72	208.04	89.06
Number of Equity Share outstanding as on the End of Year/Period Ended (c)	2,430,000	1,930,000	1,930,000
Weighted average no of Equity shares at the End of the Year/Period Ended (D)	1,990,274	1,930,000	1,930,000
Face Value per Share	10.00	10.00	10.00
Restated Basic Earning Per Share (Rs.) (B/D)	37.17	10.78	4.61
Restated Diluted Earning Per Share (Rs.) (B/D)	37.17	10.78	4.61

Return on Net worth (%) (B/A)	50.07%	35.65%	23.67%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	60.80	30.23	19.50
Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	74.23	30.23	19.50
EBITDA	1,329.04	441.31	188.72

**Note:**

"1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Finance Cost - Other Income"

**NOTE NO. AE- Restated Statement of Other Disclosures as per Schedule-III of the Companies Act, 2013**

**(Rs. In Lakhs)**

**1. Value of imports calculated on C.I.F basis by the company during the financial year in respect of**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
i) Purchases of Goods (Import)	6,921.31	1,873.67	9.72
<b>TOTAL</b>	<b>6,921.31</b>	<b>1,873.67</b>	<b>9.72</b>

**2. Auditors' Remuneration**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
i) For Audit Fees	0.29	0.30	0.30
<b>TOTAL</b>	<b>0.29</b>	<b>0.30</b>	<b>0.30</b>

**3. Foreign Exchange exposure as on year end are as under:**

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
i) Amount payable	508.37	507.27	-
ii) Advance paid for supply of goods	64.39	-	-
<b>TOTAL</b>	<b>572.76</b>	<b>507.27</b>	<b>-</b>

**Note – AF Ratio Analysis and Its Elements**

**(Rs. in Lakhs Except Per Share Data)**

Particulars	Note	31-03-24	31-03-23	31-03-22
1. Current Ratio	<b>1</b>	1.31	1.22	1.20
2. Debt Equity Ratio	<b>2</b>	2.04	3.36	2.39
3. Debt Service Coverage Ratio	<b>3</b>	0.81	2.03	0.86

4. Return on Equity Ratio	4	71.52%	43.35%	26.64%
5. Inventory Turnover ratio	5	5.31	6.68	8.28
6. Trade Receivable Turnover Ratio	6	16.07	13.19	7.60
7. Trade Payable Turnover Ratio	7	13.96	12.42	11.61
8. Net Capital Turnover Ratio	8	17.50	22.35	27.60
9. Net Profit Ratio	9	5.25%	2.52%	2.55%
10. Return on Capital Employed	10	21.74%	12.78%	10.66%
11. Return on Investment	11	3.67%	5.21%	1.47%

Variation between FY 24 & FY 23	Variation between FY 23 & FY 22	Reason for Variation between FY 24 & FY 23	Reason for Variation between FY 23 & FY 22
7.32%	2.09%	NA	NA
-39.26%	40.77%	Increase in equity balance due to right issue	Due to acceptance of unsecured loans from directors and increased usage of overdraft facility from bank
-60.09%	136.44%	Increase in earning as compare to previous year due to corresponding increase in revenue	NA
64.99%	62.73%	Due to increase in net operating profit due to corresponding increase in revenue	Due to increase in net operating profit due to corresponding increase in revenue
-20.47%	-19.26%	NA	NA
21.81%	73.65%	NA	Due to increase in sales as compared to previous year
12.40%	7.00%	NA	NA
-21.69%	-19.03%	NA	NA
107.98%	-1.10%	Net profit increase almost 3 times whereas sales increased by 2 times	NA
70.13%	19.88%	Due to increase in earning as compare to previous year	Due to increase in earning as compare to previous year
-29.51%	255.48%	Due to fresh investment made in Fixed deposits during the year	Due to increase in FD interest amount as compared to last year

### Notes of Calculation

Notes	31-03-24	31-03-23	31-03-22
<b>1. Current Ratio</b>			
Current assets	4,561.77	2,918.78	1,266.98
Current liabilities	3,480.11	2,389.75	1,059.06
<b>Ratio</b>	<b>1.31</b>	<b>1.22</b>	<b>1.20</b>
<b>2. Debt Equity Ratio</b>			
Debt	3,028.87	1,959.26	897.61
Equity	1,484.97	583.48	376.30
<b>Ratio</b>	<b>2.04</b>	<b>3.36</b>	<b>2.39</b>
<b>3. Debt Service Coverage Ratio</b>			
EBITDA	1,329.04	441.31	188.72
Principal+Interest	1,641.71	217.56	219.98
<b>Ratio</b>	<b>0.81</b>	<b>2.03</b>	<b>0.86</b>



<b>4. Return On Equity Ratio</b>			
NPAT	739.72	208.04	89.06
Average Shareholders Equity	1,034.22	479.89	334.29
<b>Ratio</b>	<b>71.52%</b>	<b>43.35%</b>	<b>26.64%</b>
<b>5. Inventory Turnover ratio</b>			
COGS	12,405.46	7,554.39	3,143.93
Average Inventory	2,334.15	1,130.40	379.84
<b>Ratio</b>	<b>5.31</b>	<b>6.68</b>	<b>8.28</b>
<b>6. Trade Receivable Turnover Ratio</b>			
Sales	14,093.00	8,233.67	3,481.26
Average Debtors	877.06	624.17	458.26
<b>Ratio</b>	<b>16.07</b>	<b>13.19</b>	<b>7.60</b>
<b>7. Trade Payable Turnover Ratio</b>			
Purchase	12,719.46	8,400.18	3,200.30
Average Creditors	911.02	676.27	275.67
<b>Ratio</b>	<b>13.96</b>	<b>12.42</b>	<b>11.61</b>
<b>8. Net Capital Turnover Ratio</b>			
Sales	14,093.00	8,233.67	3,481.26
Average Working Capital	805.35	368.47	126.15
<b>Ratio</b>	<b>17.50</b>	<b>22.35</b>	<b>27.60</b>
<b>9. Net Profit Ratio</b>			
NPAT	739.72	208.04	89.06
Revenue from Operation	14,096.18	8,245.09	3,490.58
<b>Ratio</b>	<b>5.25%</b>	<b>2.52%</b>	<b>2.55%</b>
<b>10. Return on Capital Employed</b>			
EBIT	1,264.28	410.17	169.95
Average Capital Employed	5,815.66	3,209.88	1,594.35
<b>Ratio</b>	<b>21.74%</b>	<b>12.78%</b>	<b>10.66%</b>
<b>11. Return On Investment</b>			
Return	16.33992	10.36527	2.46444
Investment	445.07	199.01	168.20
<b>Ratio</b>	<b>3.67%</b>	<b>5.21%</b>	<b>1.47%</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022. 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 21 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Malpani Pipes and Fittings Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the Financial Year 2023-24, 2022-23 and 2021-22 included in this Draft Red Herring Prospectus beginning on page 142 of this Draft Red Herring Prospectus.

### BUSINESS OVERVIEW

Malpani Pipes & Fittings Limited, an ISO 9001:2015 certified company based in Ratlam, Madhya Pradesh, manufactures a range of high-grade plastic pipes. Our products include High-Density Polyethylene (HDPE) Pipes, Medium-Density Polyethylene (MDPE) Pipes, and Linear Low-Density Polyethylene (LLDPE) Pipes, all marketed



under the brand name **volstar**. The company is also engaged in the trading of granules and PVC pipes, as well as the sale of services.

We have manufacturing plant located in central India i.e. Ratlam, Madhya Pradesh. Our plant is well equipped with essential machinery, infrastructure, and an in-house testing facility, which ensures that our product conforms to the requisite standards.

We have a dedicated in-house testing facility to ensure our products adhere to stringent quality standards. Additionally, in case of supply to any government project or under some welfare policy to farmers, we are required to get our products test from third part laboratories. These agencies include the Central Institute of Petrochemicals Engineering & Technology (CIPET), SGS, Bureau Veritas, Dr. Amin Controllers Pvt. Ltd., Rail India Technical and Economic Service, and Certification Engineers International Limited (CEIL). This verification process is a mandatory requirement set by the government.

Our pipes are engineered to meet a wide range of applications, including irrigation, potable water supply, sewerage, and drainage systems. They are also well-suited for boreholes and tube wells for underground water extraction. Furthermore, our pipes support infrastructure projects such as the installation of long-distance electrical cables and optical fibers.

For more details, please refer chapter titled "Business Overview" on page 91 of this Draft Red Herring Prospectus.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e., March 31, 2024 there is no any significant development occurred in the Company except mentioned below:

1. Company has Converted from Private Limited to Limited on July 29, 2024.
2. The company has increased its authorized share capital from ₹7,50,00,000/- consisting of 75,00,000 Equity shares of Rs. 10 each to ₹12,00,00,000/- consisting of 1,20,00,000 Equity shares of Rs. 10/- each on April 25, 2024.

3. Company has allotted 54,67,500 Equity Shares as bonus shares on August 31, 2024.
4. Oxyzo Financial Services Limited has sanctioned loan of Rs. 1500.00 Lakhs to the company on June 28, 2024
5. ICICI Bank sanctioned OD facility of ₹60.00 Lakhs for Temporary period Upto September 27, 2024 on August 28, 2024.
6. The company has received a Purchase Order totaling of Rs. 11371.21 Lakhs after March 31, 2024. Details of this order are mentioned in Business Overview section on page 91 of this Draft Red Herring Prospectus.
7. Company has Purchased Extrusion Line 80/75 MM Screw High Speed HDPE & MDPE Pipe Machinery, Co-Extruder and Jockey Extruder amounting to ₹157.25 Lakhs dated May 30, 2024.

#### KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our Company's future results of operations could be affected potentially by the following factors:

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Failure to adapt the changing technology in our industry of operation may adversely affect our business
4. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
5. Competition with existing and new entrants.
6. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations.
7. Our ability to retain our key managements persons and other employees;
8. Company's ability to successfully implement its growth strategy and expansion plans;
9. Failure to comply with the quality standards and requirements of our customers
10. Our inability to get the raw material at competitive price and transfer the upward revision in the price of raw material to the customers.
11. Exchange rate Fluctuation may affect the cost of Raw Material.

#### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure IV" beginning under Chapter titled "Restated Financial Information" beginning on page 142 of the Draft Red Herring Prospectus.

#### RESULTS OF KEY OPERATIONS

(₹ in lakhs)

Particulars	For the year ended on		
	31.03.2024	31.03.2023	31.03.2022
<b>Income from continuing operations</b>			
Revenue from operations			
Manufacturing Turnover	12,596.83	7,423.55	3,076.32
Trading Turnover	1,369.00	761.00	303.00
Sale of Services	127.17	49.12	101.94
Other Operating Income	3.18	11.42	9.32
<b>Total Revenue</b>	<b>14,096.18</b>	<b>8,245.09</b>	<b>3,490.58</b>
<b>% of growth</b>	70.96	136.21	
Other Income	20.05	11.67	3.09
% total Revenue	0.14	0.14	0.09
<b>Total Revenue</b>	<b>14,116.23</b>	<b>8,256.76</b>	<b>3,493.67</b>
	70.97	136.33	
<b>Expenses</b>			
Cost of Material Consumed	10,125.42	6,522.47	2762.22
<b>% of Revenue from operations</b>	80.38	87.86	89.79
Cost of Goods Traded	1,334.78	746.04	297.67
Change in Inventory	155.29	(171.86)	(87.36)

Employee benefits expense	183.52	174.96	119.74
<b>% Increase/(Decrease)</b>	4.89	46.12	
Finance Costs	261.88	133.34	51.32
<b>% Increase/(Decrease)</b>	96.40	159.82	
Other expenses	968.13	532.17	209.58
<b>% Increase/(Decrease)</b>	81.92	153.92	
Depreciation and amortisation expenses	84.81	42.82	21.86
<b>% Increase/(Decrease)</b>	98.06	95.88	
<b>Total Expenses</b>	<b>13,113.83</b>	<b>7,979.94</b>	<b>3,375.03</b>
% to total revenue	92.90	96.65	96.60
<b>EBDITA</b>	<b>1,329.04</b>	<b>441.31</b>	<b>188.73</b>
<b>% to total revenue</b>	9.41	5.34	5.40
<b>Restated profit before tax from continuing operations</b>	1,002.40	276.82	118.64
<b>Exceptional Item</b>			
Total tax expense	262.68	68.79	29.57
<b>Restated profit after tax from continuing operations (A)</b>	739.72	208.03	89.07
<b>% to total revenue</b>	<b>5.24</b>	<b>2.52</b>	<b>2.55</b>

### **COMPARISON OF F.Y. 2023-24 WITH F.Y. 2022-23:**

#### **Income from Operations**

In the F.Y. 2023-24, the Company's total revenue from Operation was ₹14096.18 Lakhs, which is increased by 70.96 % in compare to total Income from operations of ₹ 8245.09 Lakhs in F.Y. 2022-23. The total revenue includes manufacturing Turnover of ₹12596.83 lakhs, Trading turnover of ₹1369.00 lakhs, Sale of Service of ₹127.17 lakhs and Other Operating revenue of ₹3.18 lakhs in FY 2023-24 as against manufacturing Turnover of ₹7423.55 lakhs , Trading turnover of ₹761.00 lakhs, Sale of Service of ₹49.12 lakhs and Other Operating revenue of ₹ 11.42 lakhs in FY 2022-23. The trading turnover includes revenue from imported raw material (Granules) and PVC Pipes. The increase in revenue for FY 2024 was attributed to a rise in business activity.

#### **Other Income**

The other Income for the FY 2023-24 was ₹20.05 lakhs which was ₹11.67 lakhs in the FY 2022-23. The other income includes interest earned on the fixed deposit.

#### **Expenditure:**

##### **Cost of Material Consumed**

The Cost of Material Consumed for F.Y. 2023-24 was ₹10,125.42 Lakhs against the cost of Material Consumed of ₹6,522.47 Lakhs in F.Y. 2022-23. The cost of material consumed was 80.38 % of the total revenue from operations in F.Y 2023-24 as against 87.86 % of total revenue from Operations in F.Y 2022-23.

##### **Employee Benefits Expenses:**

The Employee expenses for F.Y. 2023-24 was ₹183.52 Lakhs against the expenses of ₹174.96 Lakhs in F.Y. 2022-23 showing increase by 4.89%. The increase in the employee cost was marginal due to yearly increment of the employees.

##### **Finance Cost:**

The Finance Cost for the F.Y. 2023-24 was ₹261.88 Lakhs against the cost of ₹133.34 Lakhs in the F.Y. 2022-23 showing increase of 96.40 %. The finance cost was increased on account of overall increase of the Borrowings. The

total outstanding of the borrowings as on March 31,2024 was ₹3028.87 lakhs as against ₹ 1959.26 lakhs as on March 31, 2023. The cash inflow from the long-term borrowings and short-term borrowings in the FY 2023-24 was ₹1069.61 lakhs resulting in to higher finance cost.

#### **Other Expenses**

Other Expenses increased to ₹968.13 Lakhs for F.Y. 2023-24 against ₹ 532.17 Lakhs in F.Y. 2022-23 showing increase of 81.92 %. The Increase in the Other expenses in the FY 2023-24 was on account of increase of the business by 70.96 % in comparison to FY 2022-23. The increase in the cost of Freight and packing expenses, Electricity Expenses and charges related to clearance of imported material in comparison to FY 2022-23 due to increase of business .

#### **Depreciation and Amortisation Expenses:**

The Depreciation for F.Y. 2023-24 was ₹84.81 Lakhs as compared to ₹ 42.82 Lakhs for F.Y. 2022-23. The depreciation increased by 98.06 % in F.Y. 2023-24 as compared to F.Y. 2022-23. The depreciation in FY 2023-24 was increased on account of addition of the Fixed assets by ₹410.93 lakhs in FY 2023-24 which was ₹127.43 lakhs in FY 2022-23.

#### **EBIDTA**

The EBIDTA for F.Y. 2023-24 was ₹1329.04 Lakhs as compared to ₹441.31 Lakhs for F.Y. 2022-23. The EBIDTA was 9.41 % of total Revenue in FY 2023-24 as compared to 5.34 % in F.Y. 2022-23. EBIDTA has improved due to improves in material consumption ratios to sales from 87.86 % in FY 2022-23 to 80.38 % in FY 2023-24 and increase in the business by 70.97 % in FY 2023-24 in comparison to 136.33 % in FY 2022-23. The increase in the capacity utilization in FY 2023-24 in comparison of FY 2022-23 was also contributed in increase in the EBIDTA of the Company

#### **Profit after Tax (PAT)**

PAT is ₹739.72 lakhs for the F.Y. 2023-24 in compared to ₹208.03 lakhs in F.Y. 2022-23. The PAT was 5.24 % of total revenue in F.Y. 2023-24 compared to 2.52 % of total revenue in F.Y. 2022-23. The Profit margin has increased on account of increase of business by 70.97 % and optimize the utilization of installed capacity of the plant.

#### **COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:**

##### **Income from Operations**

In the F.Y. 2022-23, the Company's total revenue was ₹8245.09 lakhs, which is increased by 136.21 % in compare to total Income from operations of ₹ 3490.58 lakhs in F.Y. 2021-22. The total revenue includes manufacturing Turnover of ₹7423.55 lakhs , Trading turnover of ₹761.00 lakhs, sale of service of ₹49.12 lakhs and other operating revenue of ₹11.42 lakhs in FY 2022-23 as against manufacturing Turnover of ₹3076.32 lakhs , Trading turnover of ₹303.00 lakhs, sale of service of ₹101.94 lakhs and other operating revenue of ₹9.32 lakhs in FY 2021-22. The trading turnover includes revenue from was the turnover of the imported raw material (Granules) and PVC Pipes. The trading turnover includes revenue from imported raw material (Granules) and PVC Pipes. The increase in revenue for FY 2023 was attributed to a rise in business activity.

##### **Other Income**

The other Income for the FY 2022-23 was ₹11.67 lakhs which was ₹3.09 lakhs in the FY 2021-22. The other income includes interest earned on the fixed deposit.

##### **Expenditure:**

##### **Cost of Material Consumed**

The Cost of Material Consumed for F.Y. 2022-23 was ₹6522.47 lakhs against the cost of Material Consumed of ₹2762.22 lakhs in F.Y. 2021-22. The cost of material consumed was 87.96 % of the total revenue from operations in F.Y 2022-23 as against 89.79 % of total revenue from Operations in F.Y 2021-22.

#### **Employee Benefits Expenses:**

The Employee expenses for F.Y. 2022-23 was ₹174.96 lakhs against the expenses of ₹119.74 lakhs in F.Y. 2021-22 showing increase by 46.12%. The Company had 36 No of employees in the FY 2022-23 as against 16 No of employees in the FY 2021-22. The Increase in no of employees and annual increment in the employee salary increase the employee benefit expenses.

#### **Finance Cost:**

The Finance Cost for F.Y. 2022-23 was ₹133.34 lakhs against the cost of ₹51.32 Lakhs in the F.Y. 2021-22 showing an increase of 159.82 %. The finance cost was increased on account of overall increase of the Borrowings. The total outstanding of the borrowings as on March 31, 2023 was ₹1959.26 lakhs as against ₹ 897.61 lakhs as on March 31,2022. The cash inflow from the long-term borrowings and short-term borrowings in the FY 2022-23 was ₹1061.65 lakhs resulting in to higher finance cost.

#### **Other Expenses**

Other Expenses increased to ₹532.17 lakhs for F.Y. 2022-23 against ₹209.58 Lakhs in F.Y. 2021-22 showing increase of 153.92%. The Increase in the Other expenses in the FY 2022-23 was on account of increase of the business by 136.21 % in comparison to FY 2021-22. The increase in the cost of Freight and packing expenses, Electricity Expenses and charges related to clearance of imported material in comparison to FY 2021-22 due to increase of business.

#### **Depreciation and Amortisation Expenses:**

The Depreciation for F.Y. 2022-23 was ₹42.82 lakhs as compared to ₹21.86 lakhs for F.Y. 2021-22. The depreciation was increased by 95.88 % in F.Y. 2022-23 as compared to F.Y. 2021-22. The depreciation in FY 2022-23 was high on account of the addition of fixed assets of ₹ 572.07 lakhs in F.Y. 2022-23.

#### **EBIDTA**

The EBIDTA for F.Y. 2022-23 was ₹441.31 lakhs as compared to ₹188.73 lakhs for F.Y. 2021-22. The EBIDTA was 5.34 % in FY 2022-23 of total Revenue as compared to 5.40 % in FY 2021-22.

#### **Profit after Tax (PAT)**

PAT is ₹208.03 lakhs for F.Y. 2022-23 as compared to ₹89.07 lakhs in F.Y. 2021-22. The PAT was 2.52 % of total revenue in F.Y. 2022-23 compared to 2.55 % of total revenue in F.Y. 2021-22. The PAT margin was decreased though the business was increased by 136.21 % on account of increase in the employee benefit cost, finance cost and depreciation.

#### **CASH FLOW**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Net cash from Operating Activities</b>	(559.35)	(565.28)	46.16
<b>Net cash flow from Investing Activities</b>	(666.29)	(144.55)	(573.26)
<b>Net Cash Flow Financing Activities</b>	999.25	942.25	543.73

#### **Cash flow March 31, 2024**

The Company has Negative Cash flow from operating on account of Increase of inventory, Increase of Trade Receivables, and Increase of GST Receivables due to growth of business and reduction of the other liabilities more than the profit earned by the Company. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had enhanced the long-term borrowings and enhanced the short-term borrowing and raised the funds through issue of share capital for purchase of fixed assets and increase in the current assets.

### **Cash flow March 31, 2023**

The Company has Negative Cash flow from operating on account of Increase of current assets due to growth of business and increase of other liabilities more than the profit earned by the Company. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had borrowed long term funds for financing the purchase of fixed assets and enhanced the short term borrowing for working capital requirement for purchase of fixed assets and increase in the current assets.

### **Cash flow March 31, 2022**

The Company has positive Cash flow from operating on account of Increase of current assets which was financed through increase in the current liabilities and net change in working capital is less than the profit earned by the Company. The Company had invested in the fixed assets resulting into negative cash flow from investing activities. The Company had borrowed long term funds for financing the purchase of fixed assets.

### **Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors*" beginning on page 21 of this Draft Red Herring Prospectus. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Income and Sales on account of major product/main activities**

Income and sales of our Company on account of major activities derives from manufacturing of HDPE piles. And MDPE Pipes.

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page 21 in this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**7. Total turnover of each major industry segment in which the issuer company operated.**

The Company is in the business of manufacturing, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 83 of this Draft Red Herring Prospectus.

**8. Status of any publicly announced new products or business segment.**

Our Company has not announced any new products or business segment.

**9. The extent to which business is seasonal.**

Our business is not seasonal.

**10. Any significant dependence on a single or few suppliers or customers.**

Our top 10 buyers and suppliers constitute majority of our business which is reproduce in Chapter Business Overview on page 91 of Draft Red Herring Prospectus.

Particulars	Purchases/Sales					
	2023-24	%	2022-23	%	2021-22	%
Top 10 Buyers	7950.60	56.40	4246.62	51.50	1,778.46	50.95
Top 10 Suppliers	8225.03	58.35	4961.05	60.17	1892.84	54.23

**11. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Business Overview*” beginning on pages 83 and 91, respectively of this Draft Red Herring Prospectus.



**FINANCIAL INDEBTEDNESS**

**1. SECURED LOANS**

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on March 31,2024 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Commission	Security	Repayment Terms			
ICICI Bank Limited  (Charge Ranking Pari Passu with YES Bank Limited)	<b>Fund Based</b>			The rate of interest for each drawal of the Facility will be stipulated by the Bank at the time of disbursement of each drawal, which shall be sum of the Repo Rate *+ Spread per annum, plus applicable statutory levy, if any (Interest Rate). The applicable Repo Rate shall be the rate prevailing one Business Day preceding the date of each drawal.  As on date the Repo Rate is 6.50% and Spread is 2.40%.		Immovable Fixed Assets				
	Cash Credit (Sub Limit Letter of Credit of Rs. 1000.00)	1300.00	1299.31					1.0.75% p.a. 2. In case of foreign currency BG, the following charges will be additional: a. Correspondent bank charges, if any, shall be charged on actuals	1. Plot No. 64-A-2, Sector- B, -, Industrial Area, Ratlam, M.P., India, 457001 2. Plot No. 64-A-1, Sector- B, -, Industrial Area, Ratlam, M.P., India, 457001 3. Plot No. 65A, Sector B, Industrial Area, Ratlam, Ratlam, M.P., India, 457001  Belonging to M/s Malpani Pipes and Fittings Private Limited	Repayable on Demand
	Rupee Term Loan	27.5	23.54							21 Months
	<b>Non-Fund Based</b>									
	Bank Guarantee (Performance)	30.00	23.00							Repayable on Demand
Letter of credit	1125.0	293.28	Repayable on Demand							
				Import LCs: Commission: 0.75 % p.a. plus applicable taxes.  Commitment Charges: 0 % per quarter or part thereof for the commitment period.  Sight LCs: 0 % flat on the LC value (irrespective of commitment period).	4. Plot No. 68, Scheme No.20, Shastri Nagar, Near Sai Mandir, Ratlam, M.P., India, 457001  Belonging to Hemlata Malpani 5. Plot No. 04, Scheme No.20, Shastri Nagar, Near Guru Tegh Bahadur School, Ratlam, M.P., India,					

					<p>Usance LCs: 0 % per month or part thereof for the usance period.</p> <p>-</p>	<p>457001</p> <p>Belonging to Hirendra Malpani</p> <p><b>Following Person are providing Personal Guarantee for Bank Guarantee (Performance), Cash Credit, Letter of credit, Rupee Term Loan</b></p> <ol style="list-style-type: none"> <li>1. Deepak Malpani</li> <li>2. Hemlata Malpani</li> <li>3. Hirendra Malpani</li> <li>4. Mohit Malpani</li> <li>5. Rohit Malpani</li> <li>6. Sonal Malpani</li> <li>7. Sunita Malpani</li> <li>8. Harsh Malpani</li> </ol>	
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### **Terms & Conditions**

1. BG will not be issued favoring other banks / FI / Corporate/ NSIC etc for providing any exposures by such Banks / FI / Corporates etc. Bank Guarantee cannot be used for indirectly enabling the placement of deposits with non-Banking institution/ NBFCs.

### **Other Terms & Conditions**

1. Sole Banking: Borrower to route all banking transaction with ICICI Bank Ltd (already part of Working capital Master Facility Agreement)
2. Projected Volumes for FY 2025 at Rs. 1500.00 Mn (Rs. 150 Crores) shall be booked entirely thru Manufacturing Activity and no further enhancement shall be allowed till these volumes. (CMOG not to set trigger)

### **Special Condition**

Unconditional and irrevocable personal guarantee (s) to be obtained for enhanced amount, of:

1. Mr. Harsh Malpani, residing at 151, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal net worth of not less than INR 20.0 Mn. as on March 31, 2023.
2. Mr. Rohit Malpani, residing at 151, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 20.0 Mn. as on March 31, 2023.
3. Mr. Mohit Malpani residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 20.0 Mn. as on March 31, 2023
4. Mr. Hirendra Malpani residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 20.0 Mn. as on March 31, 2023
5. Mrs. Sunita Malpani residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 10.0 Mn. as on March 31, 2023
6. Mrs. Hemlata Malpani, residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 30.0 Mn. as on March 31, 2023
7. Mr. Deepak Malpani residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 20.0 Mn. as on March 31, 2023
8. Mr. Sonal Malpani residing at 151, Sai Sajjan, Shastri nagar, Ratlam, Madhya Pradesh 457001, having personal network of not less than INR 5.0 Mn. as on March 31, 2023
9. Class of Guarantee Class I (CA Certified network statements to be obtained and aggregate network as on March 31,2023 should not be less than INR 145 Mn.)
10. First Exclusive charge on all the firms fixed assets, both present and future, save and except vehicles and other assets specifically financed by other financiers (already done).
11. Extended charge on the property offered (Situated at **1.** Plot No. 65A, Sector B Industrial Area, Ratlam 457001. **2.** PLOT NO. 68, SCHEME NO. 20, SHASTRI NAGAR, RATLAM, M.P. 457001. **3.** PLOT NO. 4, SCHEME NO. 20, SHASTRI NAGAR, RATLAM, M.P. 457001 as collateral to be created prior to disbursement. (On Enhancement Amount Only) Exclusive charge on the property offered (Situated at **1.** 64A2. Industrial Area, Sector B, Ratlam, 457001, M.P. **2.** 64A1. Industrial Area, Sector B, Ratlam, 457001, M.P) as collateral to be created prior to disbursement. (On Enhancement Amount Only)

### **Prepayment Charges**

1. The Borrower may prepay the Facility, in full or in part thereof (without any prepayment premium) within 60 days of any increase of Spread as aforesaid, subject to the Borrower providing an irrevocable written notice of prepayment to ICICI Bank within 15 days of such increase of Spread. Unless specified otherwise in the documents in relation to the Facility, if the Borrower wishes to prepay any part of or whole of the Facility, it may do so with payment of Prepayment Premium of 1.00% on principal amount of the loan being prepaid subject to the Borrower giving at least 15 days prior irrevocable written notice of the same to ICICI Bank.
2. The Borrower shall not, without the prior approval of the Bank (which approval may be given subject to a prepayment premium of 0% on the Facility amount prepaid and such terms and conditions as may be stipulated by the Bank including payment of any charges, plus applicable taxes or other statutory levy), prepay the outstanding principal amounts of the Facilities in full or in part, which are in the nature of loans, before the Due Dates. Where any of the Facilities are closed by way of balance transfer/ takeover by any other bank or financial institution during the tenor of the Facility/ies, a prepayment premium of 4% shall be charged on the amount of the Facilities / Limits taken over by the other bank / financial institution. For any prepayment /foreclosure of the Facilities, the Borrower shall provide to the Lender a prior notice of 0 days specifying the amount to be prepaid and the date of prepayment.

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on March 31,2024 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Security	Repayment Terms
Yes Bank Limited  (Charge Ranking Pari Passu with ICICI Bank Limited)	Cash Credit	500.00	450.59	Effective Rate of Interest (ROI) is 9.25% p.a. which is 2.75% (Spread / Markup) over and above External Benchmark Lending Rate.	1. First Pari-passu charge of ICICI Bank Limited on Stock 7 Book debts 2. Equitable / Registered Mortgage on property situated at 1) Plot No. 64-A-1, Sector-B, Industrial Area, Ratlam, M.P., India, 457001 2) Plot No 04, Scheme No. 20 Shastri Nagar, Near Guru Tegh Bhandur School. Ratlam Madhya Pradesh 3) Plot No. 64-A-2, Sector-B, Industrial Area, Ratlam, M.P., India, 457001 4) Plot No. 65A. Sector B industrial Area Ratlam, M.P. 5) Plot No. 68 Yojna No. 20 Ward No. 33 Shastri Nagar, Ratlam M.P., India, 457001  Unconditional and irrevocable personal Guarantee of below guarantors till the tenor of facility  1. Sonal Malpani 2. Hemlata Malpani 3. Deepak Malpani	Repayable on Demand
	Working Capital Demand Loan – FCY (Sub Limit of Cash Credit)	400.00	-	The interest rate shall be linked to the Repo Rate as published by RBI and notified by YBL		
	Import Financing (Sub Limit of Cash Credit)	400.00	-	ARR+2.75%		

					4. Hirendra Malpani 5. Harsh Malpani 6. Rohit Malpani 7. Mohit Malpani 8. Sunita Malpani	
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#### Other Terms & Condition

1. Default Charge of 2% on overdue amount for the overdue period .
2. 1. Valuation Report of ICICI Bank Limited to be considered to capture valuation at all places . Legal (TSR) to be done by empaneled advocate of YBL or existing Legal (TSR) of ICICI Bank Limited to be considered.
3. Exchange on pari passu on sharing charge on CA & Collateral security from ICICI Bank Limited for YBL exposure of INR 5.00 Crore under multiple banking agreement .
4. A Default rate of interest at the rate of 18% will be levied / charged if the borrower continues to utilize the facilities even after the expiry of limit.
5. Underutilization / utilization of the fund based working capital facilities at a level below 60% shall attract the levy of commitment charges at the Banks sole discretion.
6. Non-compliance of below material terms & conditions of the sanction attracts penal charges 2.00% on average utilization of the facilities payable monthly during period of non-compliance.
  - a. Delay in creation and perfection securities by the borrower
  - b. Breach / Delay in submission related to Financial / Non-Financial / information Covenants.
7. The borrower shall not avail any kind of finance / facility (secured / unsecured short Term/Long Term) from any bank / FI without prior written consent of YBL.
8. Borrower to rout turnover through his/their/its accounts maintained with YBL.
9. In case of vacant / non-self-occupied property, the Borrower / property owner to seek YBL NOC prior to leasing out such collateral.

#### Special Condition

1. Issuance of Financial Bank Guarantee in favor of Financial Institutions (other Banks and / or NBFCs) is not allowed unless approved explicitly.

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on March 31,2024 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Security	Repayment Terms
SIDBI	Term Loan	187.62	141.83	2.15 % above Repo Rate rising or falling therewith from time to time	All the movable properties of the Borrower pertaining to the project of the Borrower situated at 60 A-4, Sector B Industrial Area, Ratlam MP 457001 including but not limiting to its movable, plant machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures and all other movable both present and future (save and except book debts)	78 Months

					Fixed Deposit of Rs. 57.00 Lakhs belonging to M/s Malpani Pipes and Fittings Private Limited	
SIDBI	Term Loan	284.00	211.20	2.15 % above Repo Rate rising or falling therewith from time to time	All the movable properties of the Borrower pertaining to the project of the Borrower situated at 60 A-4, Sector B Industrial Area, Ratlam MP 457001 including but not limiting to its movable, plant machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures and all other movable both present and future (save and except book debts)  Fixed Deposit of Rs. 71.00 Lakhs belonging to M/s Malpani Pipes and Fittings Private Limited	78 Months
SIDBI	Term Loan	490.29	340.28	2.00 % above Repo Rate rising or falling therewith from time to time	All the movable properties of the Borrower pertaining to the project of the Borrower situated at 60 A-4, Sector B Industrial Area, Ratlam MP 457001 including but not limiting to its movable, plant machinery, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures and all other movable both present and future (save and except book debts) and All the assets which have been charged by the borrower in favour of SIDBI vide deed of hypothecation dated February 22, 2022 and March 17, 2022 for securing earlier financial assistance(s) of Rs. 284.00 Lakhs and Rs. 187.62 Lakhs.  Fixed Deposit of Rs. 123.00 Lakhs belonging to M/s Malpani Pipes and Fittings Private Limited	54 Months

#### **Premature Repayment of the Loan**

1. The borrower agrees not to repay the outstanding loan in full or part before the due date, except after obtaining prior approval of SIDBI in writing, which may be granted subject to such conditions as SIDBI may deem fit including payment of interest on such prepayment of 3% of outstanding (if paid within 3 years of disbursement) of the loan outstanding plus applicable GST.

#### **Penal Interest on Defaulted in Amount**

1. In case of nonpayment of installments of principal, interest and all other monies (except penal interest) on their respective due dates, the borrower agrees to pay on the defaulted amounts, penal interest at the rate of 2.0% per annum for the period of default.

## 2. Vehicle Loan

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on March 31,2024 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.)	EMI (₹. in Lakhs)	Repayment Terms
ICICI Bank Limited	Vehicle Loan	18.35	14.44	Rate of Interest is 8.40%	0.38	60 Months
ICICI Bank Limited	Vehicle Loan	19.50	10.68	Rate of Interest is 7.60%	0.40	60 Months

## 3. UNSECURED LOANS

Sn.	Name of the Lender	Outstanding Amount as on March 31,2024 (₹. in Lakhs)	Interest Rate per Annum	Repayment Terms
1.	Deepak Malpani	110.00	9.00%	Repayable on Demand
2.	Harshita Malpani	56.75	9.00%	Repayable on Demand
3.	Hemlata Malpani	47.00	9.00%	Repayable on Demand
4.	Hirendra Malpani	63.50	9.00%	Repayable on Demand
5.	Rini Neema	36.50	9.00%	Repayable on Demand
6.	Sonal Malpani	24.50	9.00%	Repayable on Demand
7.	Sunita Malpani	23.00	9.00%	Repayable on Demand
8.	Tirupati Industries	54.00	9.00%	Repayable on Demand
9.	Harsh Malpani	50.25	9.00%	Repayable on Demand
10.	Mohit Malpani	30.00	9.00%	Repayable on Demand
11.	Rohit Malpani	41.50	9.00%	Repayable on Demand

## OTHER FINANCIAL INFORMATION

### Ratio Analysis and Its Elements

(Rs. in Lakhs Except Per Share Data)

Particulars	Note	31-03-24	31-03-23	31-03-22
1. Current Ratio	1	1.31	1.22	1.20
2. Debt Equity Ratio	2	2.04	3.36	2.39
3. Debt Service Coverage Ratio	3	0.81	2.03	0.86
4. Return on Equity Ratio	4	71.52%	43.35%	26.64%
5. Inventory Turnover ratio	5	5.31	6.68	8.28
6. Trade Receivable Turnover Ratio	6	16.07	13.19	7.60
7. Trade Payable Turnover Ratio	7	13.96	12.42	11.61
8. Net Capital Turnover Ratio	8	17.50	22.35	27.60
9. Net Profit Ratio	9	5.25%	2.52%	2.55%
10. Return on Capital Employed	10	21.74%	12.78%	10.66%
11. Return on Investment	11	3.67%	5.21%	1.47%

Variation between FY 24 & FY 23	Variation between FY 23 & FY 22	Reason for Variation between FY 24 & FY 23	Reason for Variation between FY 23 & FY 22
7.32%	2.09%	NA	NA
-39.26%	40.77%	Increase in equity balance due to right issue	Due to acceptance of unsecured loans from directors and increased usage of overdraft facility from bank
-60.09%	136.44%	Increase in earning as compare to previous year due to corresponding increase in revenue	NA
64.99%	62.73%	Due to increase in net operating profit due to corresponding increase in revenue	Due to increase in net operating profit due to corresponding increase in revenue
-20.47%	-19.26%	NA	NA
21.81%	73.65%	NA	Due to increase in sales as compared to previous year
12.40%	7.00%	NA	NA
-21.69%	-19.03%	NA	NA
107.98%	-1.10%	Net profit increase almost 3 times whereas sales increased by 2 times	NA
70.13%	19.88%	Due to increase in earning as compare to previous year	Due to increase in earning as compare to previous year
-29.51%	255.48%	Due to fresh investment made in Fixed deposits during the year	Due to increase in FD interest amount as compared to last year

### Notes of Calculation

Notes	31-03-24	31-03-23	31-03-22
<b>1. Current Ratio</b>			
Current assets	4,561.77	2,918.78	1,266.98
Current liabilities	3,480.11	2,389.75	1,059.06
<b>Ratio</b>	<b>1.31</b>	<b>1.22</b>	<b>1.20</b>
<b>2. Debt Equity Ratio</b>			
Debt	3,028.87	1,959.26	897.61
Equity	1,484.97	583.48	376.30
<b>Ratio</b>	<b>2.04</b>	<b>3.36</b>	<b>2.39</b>
<b>3. Debt Service Coverage Ratio</b>			



EBITDA	1,329.04	441.31	188.72
Principal+Interest	1,641.71	217.56	219.98
<b>Ratio</b>	<b>0.81</b>	<b>2.03</b>	<b>0.86</b>
<b>4. Return On Equity Ratio</b>			
NPAT	739.72	208.04	89.06
Average Shareholders Equity	1,034.22	479.89	334.29
<b>Ratio</b>	<b>71.52%</b>	<b>43.35%</b>	<b>26.64%</b>
<b>5. Inventory Turnover ratio</b>			
COGS	12,405.46	7,554.39	3,143.93
Average Inventory	2,334.15	1,130.40	379.84
<b>Ratio</b>	<b>5.31</b>	<b>6.68</b>	<b>8.28</b>
<b>6. Trade Receivable Turnover Ratio</b>			
Sales	14,093.00	8,233.67	3,481.26
Average Debtors	877.06	624.17	458.26
<b>Ratio</b>	<b>16.07</b>	<b>13.19</b>	<b>7.60</b>
<b>7. Trade Payable Turnover Ratio</b>			
Purchase	12,719.46	8,400.18	3,200.30
Average Creditors	911.02	676.27	275.67
<b>Ratio</b>	<b>13.96</b>	<b>12.42</b>	<b>11.61</b>
<b>8. Net Capital Turnover Ratio</b>			
Sales	14,093.00	8,233.67	3,481.26
Average Working Capital	805.35	368.47	126.15
<b>Ratio</b>	<b>17.50</b>	<b>22.35</b>	<b>27.60</b>
<b>9. Net Profit Ratio</b>			
NPAT	739.72	208.04	89.06
Revenue from Operation	14,096.18	8,245.09	3,490.58
<b>Ratio</b>	<b>5.25%</b>	<b>2.52%</b>	<b>2.55%</b>
<b>10. Return on Capital Employed</b>			
EBIT	1,264.28	410.17	169.95
Average Capital Employed	5,815.66	3,209.88	1,594.35
<b>Ratio</b>	<b>21.74%</b>	<b>12.78%</b>	<b>10.66%</b>
<b>11. Return On Investment</b>			
Return	16.33992	10.36527	2.46444
Investment	445.07	199.01	168.20
<b>Ratio</b>	<b>3.67%</b>	<b>5.21%</b>	<b>1.47%</b>

#### Capitalisation Statement

(Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1900.25	*
Long Term Debt (B)	1128.62	*
<b>Total debts (C)</b>	<b>3028.87</b>	*
<b>Shareholders' funds</b>		
Equity share capital	243.00	*
Reserve and surplus - as restated	1,241.97	*
<b>Total shareholders' funds</b>	<b>1,484.97</b>	*
<b>Long term debt / shareholders' funds (in Rs.)</b>	<b>0.76</b>	*
<b>Total debt / shareholders' funds (in Rs.)</b>	<b>2.04</b>	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

## SECTION VII – LEGAL AND OTHER REGULATORY INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; or (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Promoter or our Directors (“**Relevant Parties**”). Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoter in the last five Fiscals immediately preceding the date of this Draft Red herring Prospectus, including any outstanding action.*

*For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated August 24, 2024, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red herring Prospectus, if the aggregate monetary claim/ dispute amount/ liability made by or against the Relevant Parties in any such pending litigation (individually or in aggregate), is equivalent to or above ₹1 lakhs.*

*Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of ₹1 lakhs would be considered as material creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹1 lakhs.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.*

#### A. LITIGATION INVOLVING THE COMPANY

##### a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### b) Criminal proceedings filed by the Company

###### i. Malpani Pipes and Fittings Pvt. Ltd. vs. Dhanashree Agro Sales (SC NIA/367/2023)

A criminal case bearing no. SC NIA/367/2023 was filed by Malpani Pipes and Fittings Pvt. Ltd. (“**our Company**”) against Dhanshri Agro Sales (“**Defendant**”) before the Judicial Magistrate, First Class, Ratlam (M.P) (“**Ld. Court**”) under section 138 of the Negotiable Instruments Act, 1881. Our Company and the Defendant were engaged in a business relations wherein the Defendant purchased pipes and fittings from our Company on credit basis. An outstanding amount of Rs.3,58,765.51/- was due. To settle this debt, the Defendant issued two Bank of Baroda cheques No. 000181 dated 25/01/2023 for Rs.1,58,765/- and other cheque No. 000182, dated 17/1/2023 for Rs. 2,00,000/- . However, when these cheques were presented for payment, they were dishonoured due to "Insufficient Funds". The case is currently pending before the Ld. Court, with the next hearing scheduled for October 26, 2024.

###### ii. Malpani Pipes and Fittings Pvt. Ltd. vs. Divyansh Trading (SC NIA/295/2023)

A criminal case bearing no. SC NIA/295/2023 was filed by Malpani Pipes and Fittings Pvt. Ltd. (“**our Company**”) against Divyansh Trading (“**Defendant**”) before the Judicial Magistrate, First Class Ratlam (M.P) (“**Ld. Court**”) under section 138 of the Negotiable Instruments Act, 1881. Our Company and the Defendant were engaged in business relations wherein the Defendant purchased pipes and fittings from our Company on credit basis. An outstanding amount of Rs.5,61,608.51/- was due. To settle this debt, the Defendant issued two State Bank of India cheques, out of which one of the cheque amounting Rs.1,58,765/- However, when these cheques were presented for payment, they were dishonoured due to "Insufficient Funds". The case is currently pending before the Ld. Court, with the next hearing scheduled for October 26, 2024.

##### c) Actions taken by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

**d) Tax Proceedings:**

**The details pertaining to Indirect Tax matters are as below:**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

**e) Other pending material litigation against the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

**f) Other pending material litigation filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed by the Company.

**B. LITIGATION INVOLVING THE DIRECTORS/PROMOTERS OF THE COMPANY**

**a) Criminal proceedings against the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Directors/Promoters of the Company.

**b) Criminal proceedings filed by the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by the Directors/Promoters of the Company.

**c) Actions taken by statutory and regulatory authorities against the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors/Promoters of the Company.

**d) Tax Proceedings: NIL**

**e) Other pending material litigations against the Directors/Promoters of the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Directors/Promoters of the Company.

**f) Other pending material litigations filed by the Directors/Promoters of the Company**

- i. Mr. Rohit Malpani & Mrs. Sonal Malpani vs. M/s. Amogh Enterprises & Mr. Rajaram Babala Manjavkar Case No. 483 of 2018(EA/22/198)

An execution application bearing no. EA/22/198 was filed by Mr. Rohit Malpani and Mrs. Sonal Malpani (“**our Directors**”) against M/s. Amogh Enterprises & Anr. (“**Respondents**”) under section 71 of the Consumer Protection Act, 2019 before the State Consumer Dispute Redressal Commission, Mumbai (“**Ld. Forum**”). The present application was filed due to non-compliance with the decree of the Ld. Forum dated September 30, 2021 in the case bearing no. CC/483/2018 directing the Respondent to pay the compensation to our Directors of Rs. 23,11,200/- along with Rs.1,00,000/- towards the cost of mental pain and agony and Rs.20,000/- as compensation for cost of consumer complaint. The entire amount has to be paid along with interest rate of 18% p.a. from the date of deposit of amount i.e. June 22, 2013. The case is currently pending adjudication.

- ii. Mr. Rohit Malpani & Mrs. Sonal Malpani vs. M/s. Amogh Enterprises & Mr. Rajaram Babala Manjavkar (EA195 of 2022)

An execution application bearing no. EA195 of 2022 was filed by Mr. Rohit Malpani and Mrs. Sonal Malpani (“**our Directors**”) against M/s. Amogh Enterprises & Anr. (“**Respondents**”) under section 71 of the Consumer Protection Act, 2019 before the Ld. State Consumer Dispute Redressal Commission, Mumbai (“**Ld. Forum**”). The present application was filed due to non-compliance with the decree of the Ld. Forum dated September 30, 2021 in the case bearing no. CC/483/2018 directing the Respondent to pay the compensation to our Directors of Rs. 23,11,200/- along with Rs.1,00,000/- towards the cost of mental pain and agony and Rs.20,000/- as compensation for cost of consumer complaint. The entire amount has to be paid along with interest rate of 18% p.a. from the date of deposit of amount i.e. June 22, 2013. The case is currently pending adjudication.

### **C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY**

#### **a) Criminal proceedings against the Group Company**

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against the group companies of our Company.

#### **b) Criminal proceedings filed by the Group Company**

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by the group companies of our Company.

#### **c) Actions taken by statutory and regulatory authorities against the Group Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group companies of the Company.

#### **d) Tax Proceedings: NIL**

#### **e) Other pending material litigation against the Group Company**

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations initiated against the group companies of the Company which have been considered material by the Company.

#### **f) Other pending material litigation filed by the Group Company**

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations filed by the group companies of the Company which have been considered material by the Company.

### **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS, DIRECTORS AND GROUP COMPANIES DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

### **PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of our Company, Promoters, and Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus.

## **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

## **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

## **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

## **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

## **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

## **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 180 of this Draft Red Herring Prospectus, there have been no material developments that have occurred since the date of last financial statements disclosed in this Draft Red Herring Prospectus which may materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities.

## **AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

As per the Materiality Policy, a creditor of our Company, shall be considered to be material ("**Material Creditors**") for the purpose of disclosure in this Draft Red herring Prospectus, if amounts due to such creditor by our Company is in excess of ₹ 5 lakhs. Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹ 5 lakhs.

As per Restated financial Statements for the March 31, 2024, Our Company had 23 number of creditors, to whom a total amount of ₹1020.84 Lakhs were outstanding. Outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

<b>Material Creditors</b>	<b>Number of Cases</b>	<b>Amount Involved (₹ in Lakhs)</b>
Micro, Small and Medium Enterprises*	6	72.70
Material Creditors	10	941.47
Other Creditors	7	6.67
<b>Total</b>	<b>23</b>	<b>1020.84</b>

*\*Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company at [exact link to be pasted].

**Willful Defaulter**

Our Promoter and Directors have not been identified as a willful defaulter in terms of the SEBI ICDR Regulations as on the date of this Draft Red Hearing Prospectus.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

### **I. APPROVALS FOR THE ISSUE**

The following approvals have been obtained or will be obtained in connection with the Issue

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated August 30, 2024 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the annual general meeting of our Company held on August 31, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated September 16, 2024

#### **Approval from the Stock Exchange:**

- d. In-principle approval dated [●] from the BSE Limited from SME Exchange or using the name of the Exchange in the issue documents for listing of the equity shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- e. The company has entered into an agreement dated July 24, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- f. Similarly, the Company has also entered into an agreement dated July 01, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- g. The Company’s International Securities Identification Number is: INE0YON01014

## II. INCORPORATION RELATED APPROVALS

Sr No.	Nature of Registration/ License	CIN/LLP Identification Number	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	U25209MP2017PTC042337	Companies Act, 2013	Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre	February 03, 2017	Valid until cancelled
2.	Certificate of Incorporation post conversion from Private Limited Company to Public Limited Company	U25209MP2017PLC042337	Companies Act, 2013	Registrar of Companies, Central Registration Centre	July 29, 2024	Valid until cancelled

## III. TAX RELATED APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AAKCM7865N	February 03, 2017	Valid until cancelled
2.	Tax Deduction Account Number* (TAN)	Income Tax Act, 1961	Income Tax Department, Government of India	BPLM11702F	February 10, 2017	Valid until cancelled
3.	Certificate of Registration of Goods and Services Tax (Maharashtra)*	Central Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	27AAKCM7865N1ZI	April 11, 2023	Valid until cancelled
4.	Certificate of Registration of Goods and Services Tax (Madhya Pradesh)	Central Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	23AAKCM7865N1ZQ	March 15, 2023	Valid until cancelled
5.	Certificate of Registration under Professional Tax (For Employer)*	Madhya Pradesh Professional Tax Act, 1995	Department of Commercial Tax	79119019662	July 16, 2021	Valid until cancelled
6.	Certificate of Registration under	Madhya Pradesh Professional	Department of Commercial Tax	78489295915	-	Valid until cancelled



	Professional Tax (For Persons)*	Tax Act, 1995				
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#### IV. BUSINESS OPERATION RELATED APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	UDYAM Registration Certificate*	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	UDYAM-MP-37-0000864	November 10, 2020	Valid until cancelled
2.	Importer- Exporter Code (IEC)*	Foreign Trade (Development and Regulation) Act, 1992	Ministry of Commerce & Industry, Director General of Foreign Trade, Office of the Deputy Director General of Foreign Trade	AAKCM7865N	September 08, 2017	Valid until cancelled
3.	Registration and Membership Certificate of Directorate of Agriculture Engineering, Farmer Welfare and Agriculture Development Department for the following equipment – Sprinkler System and Pipe Line & Drip System and Pipe Line*	-	Directorate of Agricultural Engineering, Government of Madhya Pradesh	E-Registration/685/2022	May 24, 2022	March 31, 2026
4.	Registration Certificate for Micro Irrigation Manufacturer under PDMC-MI Rajasthan*	-	Registration Authority, State of Rajasthan	Registration No.MI-Mfr/2023-24/795	November 21, 2023	March 31, 2026
5.	Factory License*	Factories Act, 1948	Chief Inspector of Factories, Madhya Pradesh	273/18168/RTL/2m(i)	July 8, 2024	December 31, 2025

#### General License/Approvals\*:

1. Letter bearing order no. 72/JJM-1/Mission Directorate/2023 dated September 01, 2023 for “HDPE Pipe confirming to IS 4984:2016 duly inspected and tested and having BIS certification mark” from the Public Health Engineering Department, Government of Raipur, Chhattisgarh having CGJJM Empanelment no: CGJJM-EOI-15/P-01/F-41 for Jal Jeevan Mission.

2. Letter no. 923/MN/PA/PHED/2022 dated February 04, 2022 ref. no. 12.454/03/D&M-II/MPJNM/2021 dated December 28, 2021 from Madhya Pradesh Jal Nigam Maryadit, Bhopal having Empanelment no. CM/L No. 8200111996 for HDPE Pipes and MDPE Pipes.
3. Letter no. MJP/SE(HQ)/EP-97/(2022)/27 dated January 04, 2023 Enlistment for HDPE Pipes (W.S.) in Maharashtra Jeevan Pradhikaran having a certificate no. EP-97/2022 Valid upto January 03, 2026.
4. Empanelment with Rajasthan Water Supply & Sewerage Management Board for providing HDPE Pipes dated February 16, 2023 in Technical Committee Meeting: 739/15.02.2023 vide office no. 1456/TM/RWSSMB.
5. Letter no. 9/CDO-276/20-106(CDO) dated February 05, 2022 for empanelment of HDPE/MDPE Pipes manufacturer

#### V. ENVIRONMENT RELATED APPROVALS


Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Consolidated Consent order to Operate and Authorization*	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981	Regional Officer, Madhya Pradesh Pollution Control Board	AW-112358	April 05, 2023	April 04, 2028

#### VI. LABOUR RELATED APPROVALS

Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Employee Provident Fund Code*	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organization, Ministry of labour and Employment	MPUJJ2558200000	January 14, 2022	Valid Until Cancelled
2.	Registration under Employees State Insurance Corporation (Employer Code)*	Employees State Insurance Act, 1948	Regional Office, Employee's State Insurance Corporation	18000406530000999	January 14, 2022	Valid Until Cancelled

#### VII. INTELLECTUAL PROPERTY RELATED APPROVALS UNDER TRADE MARKS ACT, 1999\*

Sr. No.	Name and Description	Nature	Registration Date	Intellectual Property Registration/ No.	Class	Present Status	Validity
9.		Trade Mark	May 19, 2017	3552852	17	Registered	Upto 10 Years




10	<b>AGROSIA</b>	Trade Mark	August 27, 2019	4276683	17	Registered	Upto 10 Years
11	<b>ALNIK</b>	Trade Mark	August 27, 2019	4276679	17	Registered	Upto 10 Years
12	<b>KRIOM</b>	Trade Mark	August 27, 2019	4276682	17	Registered	Upto 10 Years
13	<b>PARESH</b>	Trade Mark	August 27, 2019	4276680	17	Registered	Upto 10 Years
14	<b>SATYAMITRA</b>	Trade Mark	October 20, 2020	4710610	17	Registered	Upto 10 Years
15		Trade Mark	May 19, 2017	3552853	17	Registered	Upto 10 Years
16	<b>VYOM</b>	Trade Mark	May 19, 2017	3552851	17	Registered	Upto 10 Years

#### **VIII. PRODUCT QUALITY RELATED APPROVALS**

<b>Sr No.</b>	<b>Description</b>	<b>Applicable Laws</b>	<b>Issuing Authority</b>	<b>Registration Number</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
1.	Bureau of Indian Standards License for Irrigation Equipment – emitting pipes system – Indian Standard No. IS 13488:2008*	Bureau of Indian Standards Act, 2016	Bureau of Indian Standards, Bhopal, Madhya Pradesh	8200112089	August 25, 2024	August 25, 2025
2.	Bureau of Indian Standards License for Polyethylene pipes for water supply – Indian Standard No. IS 4984:2016*	Bureau of Indian Standards Act, 2016	Bureau of Indian Standards, Bhopal, Madhya Pradesh	8200111996	July 03, 2024	August 26, 2025
3.	Bureau of Indian Standards License for Irrigation equipment- polyethylene pipes for irrigation – Indian Standard No. IS 12786:1989*	Bureau of Indian Standards Act, 2016	Bureau of Indian Standards, Bhopal, Madhya Pradesh	8200115095	October 07, 2023	October 07, 2024
4.	Bureau of Indian Standards License for High Density Polyethylene Pipe for	Bureau of Indian Standards	Bureau of Indian Standards,	8200172010	August 03, 2024	August 02, 2025

	Sewerage– Indian Standard No. IS 14333:2022*	Act, 2016	Bhopal, Madhya Pradesh			
5.	Bureau of Indian Standards License for Irrigation Equipment quick Coupled Polyethylene Pipes and Fittings for Sprinkler Irrigation Systems - Indian Standard No. IS 17425:2020*	Bureau of Indian Standards Act, 2016	Bureau of Indian Standards, Bhopal, Madhya Pradesh	8200075812	May 30, 2024	May 31, 2025
6.	Certification of Registration under ISO 9001:2015*	Bureau of Indian Standards Act, 2016	United Registrar of Systems	108035/A/0001/UK/En	August 28, 2019	August 27, 2025
7.	Certificate of Compliance complies with ISO 4427-2:2019*	Bureau of Indian Standards Act, 2016	United Registrar of Systems	URS/INS/0001/108035	June 24, 2024	June 23, 2027

**IX. LICENSES / APPROVALS WHICH ARE APPLIED BY COMPANY AND PENDING FOR APPROVAL:**

Sr. No.	Word/label/Mark Design	Class	Applicable Laws	Application No.	Date of application	Status
1		17	Trademarks act, 1999	3552850	May 19, 2017*	Opposed
2		17	Trademarks act, 1999	6617373	September 10, 2024	Formalities Chk Pass
3		35	Trademarks act, 1999	6617374	September 10, 2024	Formalities Chk Pass
4	MALPANI	35	Trademarks act, 1999	6617376	September 10, 2024	Formalities Chk Pass

**X. LICENSES / APPROVALS WHICH ARE YET TO BE APPLIED BY COMPANY: NIL**

\* These Licenses/Registrations/approvals are in the name of Malpani Pipes and Fittings Private Limited and the Company yet to made application to relevant authority for conversion into Malpani Pipes and Fittings Limited.

## FINANCIAL INFORMATION OF OUR GROUP COMPANIES

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable Accounting Standard (AS-18) as per the Restated Financial Statements of our Company. Further in addition to it, pursuant to a resolution of our Board dated August 24, 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 any such company is an *Associate Company* of our Company or our Company is an *Associate Company* of such Company.

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

Details of our Group Companies:

### 1. Terex Industries Private Limited

#### Brief Corporate Information

<b>Date of Incorporation</b>	December 10, 2004
<b>Object Clause</b>	<p>1. To manufacture, produce, process, design, buy, sell, import, export or otherwise deal in all kinds of tubes, pipes, pipe fittings, components, accessories and all kinds of hardware items whether made of steel, alloys, stainless steel, P.V.C., plastics, or any other metal (ferrous or nonferrous) or substance or material, to act as and/or carry on the business of galvanisers, jappaners, re-rollers, annealors, enamellers, electroplaters and to manufacture, produce, process, design, repair, convert, buy, sell, import, export, or otherwise deal in such products, their bye-products and commodities, raw-materials, stores, packing materials, tools, plant and machineries whether in India or abroad either on its own account or on account of its constituents and either solely and to take over and acquire any running business of such kind.</p> <p>2. To carry on the business of manufacturing, buying, selling, importing, exporting and otherwise dealing with plastic tubes and pipes of all sizes and varieties, used in agricultural, engineering, electrical and mechanical and other industries, rust and corrosion presented tubes, valves, pipes and pipe fittings, flanges, laminated tubing, rods and pipes, exhaust systems in PVC, fiber-reinforced plastics, polypropylene, high density polyethylene and other plastics, PVC water pipes, tubes, electrical conduit pipes and filters, hose pipes, agricultural hose pipes, solid and welding rods, pumps, and also plumbing materials, water distribution systems, sanitary fittings and other building materials made out of plastics.</p> <p>3. To takeover the business of M/s Deepak Trading Company, Ratlam, Proprietor Mr. Hirendra Malpani and M/s Malpani Pipe Industries, Ratlam, Proprietor Mr.Hirendra Malpani.</p> <p>4. To carry on business of buying, selling, importing, exporting, grading, sorting, packing, repacking, trading, stocking, and processing of all kinds of food grains, pulses and vegetables etc.</p>
<b>CIN</b>	U25111MP2004PTC017152
<b>Registered Office Address</b>	60 - D, Sector B, Industrial Area, Ratlam, Madhya Pradesh, India, 457001

#### Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Deepak malpani	Director	07691958
2.	Hirendra malpani	Director	07691919

#### Financial Information

(₹ in Lacs)

Particulars	2022-23	2021-22	2020-21
Share Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserve)	0.04	(1.66)	(1.71)
Revenue from Operations	2.65	0.19	0.00
Other Income	0.00	0.00	0.00
Profit After Tax	1.70	0.05	(0.02)
Earnings Per Share (In Rs.)	17.01	0.53	0.16
Net Assets Value Per Share (In Rs.)	10.44	(6.57)	(7.10)

## 2. Malpani Plastic Private Limited

### Brief Corporate Information

<b>Date of Incorporation</b>	February 08, 2017
<b>Object Clause</b>	1. To undertake the business of manufacturers, importers, exporters, dealers, distributors, sellers and buyers of all type of pipes, fittings and tube products made from ferrous or non-ferrous metals, plastic, rubber or any other material. 2. To manufacture and/or produce and/or otherwise engage generally in the manufacture or production of or dealing in all types of pipes, fittings and tube products and by-products and the sale, dealing or fabrications of steel and iron or non-ferrous metal and by-products and to do all acts and things necessary or require in the premises.
<b>CIN</b>	U25205MP2017PTC042581
<b>Registered Office Address</b>	60 - A - 4, Sector B Industrial Area, Ratlam, Madhya Pradesh, India, 457001

### Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Deepak Malpani	Director	07691958
2.	Hirendra Malpani	Director	07691919

### Financial Information

(₹ in Lacs)

Particulars	2022-23	2021-22	2020-21
Share Capital	7.00	7.00	7.00
Reserves (excluding revaluation reserve)	9.68	6.7	45.47
Revenue from Operations	27.04	36.95	37.69
Other Income	0.00	0.00	0.67
Profit After Tax	2.20	2.93	0.87
Earnings Per Share (In Rs.)	3.15	4.18	1.24
Net Assets Value Per Share (In Rs.)	23.83	19.57	16.50

## 3. WM Industries Private Limited

### Brief Corporate Information

<b>Date of Incorporation</b>	December 29, 2022
<b>Object Clause</b>	To carry on the business of manufacturers, prepare, importers, exporters, buy, sell, supply, distribute, store, stock, dealers, distributors, sellers and buyers of all types of paper and polymer products including compostable, biodegradable and conventional products
<b>CIN</b>	U24290MP2022PTC064068
<b>Registered Office Address</b>	60-A-5, Sector B, Industrial Area, Ratlam, Madhya Pradesh, India, 457001

### Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Harsh Malpani	Director	07691974
2.	Siddharth Rajendra Chhallani	Director	08298693

### Financial Information

(₹ in Lacs)

Particulars	2022-23
Share Capital	189.80
Reserves (excluding revaluation reserve)	0.00
Revenue from Operations	0.00
Other Income	0.00
Profit After Tax	0.00
Earnings Per Share	0.00
Net Assets Value Per Share (In Rs.)	10.00

In accordance with the SEBI (ICDR) Regulations, 2018 financial information in relation to our Group Company is also available at the website: [www.malpanipipes.com](http://www.malpanipipes.com)

### Other confirmations:

- ❖ The Company is not a listed Company
- ❖ There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Company

### Common Pursuit:

As of the date of this Draft Red Herring Prospectus, Company such as Terex Industries Private Limited and Malpani Plastic Private Limited is involved in same line of business as ours Company.

As Terex industries Private Limited engaged in the recycling of plastic scraps into granules and our company purchases the same as a Raw Material of our Final Products also Malpani Plastic Private Limited is engaged in the business of trading of plastic items such as PVC Pipes, Sprinkler etc which is our final Products.

We have entered into related party transaction with the Malpani Plastic Private Limited and Terex Industries Private Limited. Though there is non compete agreements among these entities for preventing these companies from competing directly with us in our market segments., but potential conflicts of interest when distributing business opportunities may arise. This situation could become particularly problematic if and when our interests diverge. For details, see, “Our Promoter and Promoter Group - Entities forming part of our Promoter Group” at page 137.

However, we do not perceive any conflict of interest with our Group Companies as our Group Companies are controlled by us and it operates only in markets where our Company is not operating.

### Business Interests amongst our Company and Group Company /Associate Company

Except as disclosed in *Annexure – AA “Related Party Transactions”* on page 173 of this Draft Red herring Prospectus under Chapter Restated Financial Statement, none of our Group Entities have any business interest in our Company.

### Sale or Purchase between Our Company and Our Promoter Group Company:

For details, see *Annexure –AA “Related Party Transactions”* on page 173 of this Draft Red Herring Prospectus.

### Litigation

For details relating to the legal proceedings involving the Group Entities, see “*Outstanding Litigations and Material Developments*” on page 196 of this Draft Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on August 30, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on August 30, 2024 authorized the Issue.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the BSE SME for using its name in the Issue Documents pursuant to an approval letter dated [●] BSE Ltd is the Designated Stock Exchange.

### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Director's, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/ court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Developments*" beginning on page 196 of this Draft Red Herring Prospectus.

### **Association with Securities Market:**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

### **Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "Outstanding Litigations and Material Development" beginning on page 196 of this Draft Red Herring Prospectus.

### **Prohibition with respect to wilful defaulters or a fraudulent borrower:**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018:**



Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Red Herring Prospectus.

**Eligibility for the Issue:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

Our company is eligible for the Issue in accordance with 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 ten crores and up to twenty five crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Platform", in this case being the "BSE SME"). Our Company also complies with eligibility conditions laid by "SME Platform" in this case being the "BSE SME" for listing of Equity Shares.

**We confirm that:**

- 1) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "**General Information – Underwriting**" beginning on page 42 of this Draft Red Herring Prospectus.
- 2) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- 3) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus.
- 4) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on BSE SME. For further details of the arrangement of market making please refer to section titled "**General Information – Details of the Market Making Arrangements for this Issue**" beginning on page 42 of this Draft Red Herring Prospectus.
- 5) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
- 6) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- 7) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to BSE Limited is the Designated Stock Exchange.
- 8) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

- 9) There are no other agreements/ arrangements and clauses / covenants in the agreements entered into by our Company, which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus.
- 10) There are no findings/observations of any of the inspections by SEBI or any other regulators which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.
- 11) There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Issue or this Draft Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated July 24, 2024 and National Securities Depository Limited (NSDL) dated July 01, 2024 for establishing connectivity.
2. Our Company has a website i.e. [www.malpanipipes.com](http://www.malpanipipes.com)

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the BSE SME: -

There has been no change in the promoters of the Company in the preceding one year from date of filing application to BSE SME.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE Limited ("BSE SME"):-

1. Our Company was incorporated as “Malpani Pipes And Fittings Private Limited” on February 3, 2017 vide certificate of incorporation bearing CIN U25209MP2017PTC042337 under the provisions of the Companies Act, 2013 issue by Registrar of Companies, Central Registration Centre.
2. The post issue paid up capital of the company will be [●] equity shares of face value of Rs. 10/- aggregating up to Rs. [●] which is less than Rs. 25 Crores.
3. Our Company was incorporated on February 3, 2017 under the provisions of the Companies Act, 2013 issue by Registrar of Companies, Central Registration Centre. Therefore, we are in compliance with criteria of having track record of 3 years.
4. As on March 31, 2024 the Company has net tangible assets of Rs. 1,484.81 lakhs.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth as on March 31, 2024 March 31, 2023, and March 31, 2022 is positive.

**(Rs. in Lakhs)**

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
EBITDA	1,329.04	441.31	188.72
Net Worth	1,477.47	583.48	376.30

6. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
8. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

9. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
10. The Directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
11. There is no change in promoters of the Company in preceding one year.

**DISCLAIMER CLAUSE OF SEBI**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, INTERACTIVE FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, INTERACTIVE FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 16, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.”**

All legal requirements pertaining to this issue will be complied with at the time of filing of the prospectus with the registrar of companies, Gwalior, Madhya Pradesh, in terms of section 26, 32 and section 33 of the companies act, 2013.

**Statement on Price Information of Past Issues handled by INTERACTIVE FINANCIAL SERVICES LIMITED:**

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
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MAIN BOARD IPO								
1.	SRM Contractors Limited*	130.20	210	April 03,2024	215.25	-5.17% (+0.59%)	-15.00% (+7.61) (+7.61%)	NA
SME IPO								
2.	Crop Life Science Limited (NSE EMERGE)	26.73	52	August 30, 2023	55.95	-20.00% (+0.91%)	-19.23% (+2.80%)	-9.13 % (+14.34%)
3.	Vivaa Tradecom Limited (BSE SME)	7.99	51	October 12, 2023	40.80	-45.49% (-2.26%)	-41.18% (+7.50%)	-39.31% (+12.55%)
4.	Vrundavan Plantation Limited (BSE SME)	15.30	108	November 06, 2023	107.00	-42.59% (+6.68%)	-50.93% (+10.43%)	-51.85% (+13.73%)
5.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49	45	February 23, 2024	47.15	-7.78% (-0.94%)	+4.67% (+1.73)	-10.89% (+11.19%)
6.	Teerth Gopicon Limited (NSE Emerge)	44.39	111	April 16,2024	125.00	+99.41% (+0.24%)	+301.67% (+11.01%)	NA
7.	DCG Cables and Wires Limited (NSE Emerge)	49.99	100	April 16,2024	90.00	-4.45% (+0.24%)	+48.65% (+11.01%)	NA
8.	Winy Immigration & Education Services Limited (NSE Emerge)	9.13	140	June 27, 2024	240.00	+107.29% (+3.29%)	NA	NA
9.	Kataria Industries Limited (NSE Emerge)	57.57	96	July 24, 2024	182.40	+94.48% (+1.66%)	NA	NA
10.	Kizi Apparels Limited (BSE SME)	5.58	21	August 06, 2024	23.15	+95.71% (+4.78%)	NA	NA

Sources: All share price data is from [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.in](http://www.bseindia.in)

\* Share Price data from [www.nseindia.com](http://www.nseindia.com)

**Note:**

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE are considered for all of the above calculations
3. NA where the periods are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running lead manager. Hence, disclosures pertaining to recent 10 issues handled by the Book Running lead manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE****Track Record of past issues handled by INTERACTIVE FINANCIAL SERVICES LIMITED:**

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			Over 50%	Between 50% - 25%	Less than 25%	Over 50%	Between 50% - 25%	Less than 25%	Over 50%	Between 50% - 25%	Less than 25%	Over 50%	Between 50% - 25%	Less than 25%
2021-22	1	40.00	NA	1	NA	NA	NA	NA	NA	1	NA	NA	NA	NA
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1
2023-24	7	173.87	1	2	3	NA	NA	1	2	1	3	1	NA	NA
2024-25	6	293.86	NA	NA	2	4	NA	NA	NA	NA	NA	NA	NA	NA

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: <http://www.ifinservices.in>

**Disclaimer from our Company and the Book Running Lead Manager:**

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Managers (Interactive Financial Services Limited), our Company on September 03, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making agreement dated [●] entered into between the Market Maker and Our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who

is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in respect of Jurisdiction:**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies Ba non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Gwalior, Madhya Pradesh only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED:**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited. The Disclaimer Clause as intimated by the BSE Limited to us, post scrutiny of this Draft Red Herring Prospectus will be produced by our Company in the Prospectus, shall be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus prior to the filing with ROC.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

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

The Draft Red Herring Prospectus is being filed with SME Platform of BSE Limited (BSE SME).

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

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be filed to the RoC Office situated at Registrar Of Companies, 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh.

#### **Listing:**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE Limited by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

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 BSE SME is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the 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 Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

#### **Impersonation:**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

#### **Consents:**

Consents in writing of (a) Our Directors, the Company Secretary & Compliance Officer, Chief Financial Officer, Joint Chief Financial Officer, the Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member\*, Registrar to the Issue, Banker to the Offer (Sponsor Bank)\*, Legal Advisor to the Issue, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Karma & Co. LLP, Chartered Accountants, Statutory and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their report, Restated financial statements dated September 05, 2024 and M/s Karma & Co.

LLP, Chartered Accountants, Statutory and Peer Review Auditor agreed to provide Statement of Possible Tax Benefits relating to the possible tax benefits dated September 11, 2024 as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

**Experts Opinion:**

Except for the reports in the section “*Restated Financial Information*” and “*Statement of Special Tax Benefits*” on page 142 and 81 from the Statutory Auditors, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

**Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated September 03, 2024 with the Book Running Lead Manager Interactive Financial Services Limited, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue:**

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Offer dated September 03, 2024 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send allotment advice by registered post/speed post/ email.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 52 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public Offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Performance vis-a-vis objects – Public/right issue of our Company:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the



date of filing this Draft Red Herring Prospectus.

**Partly Paid-Up Shares:**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments:**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

**Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

**Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Hariom Patidar, Company Secretary and Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Company Secretary and Compliance Officer**

**Hariom Patidar**

Malpani Pipes and Fittings Limited

**Address:** 65-A, Sector B Industrial Area,

Ratlam, Madhya Pradesh, India, 457001

**Tel No.:** 07412-260707

**Website:** <https://www.malpanipipes.com/>

**Email ID:** [cs@malpanipipes.com](mailto:cs@malpanipipes.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](http://www.scores.gov.in).

Our Board by a resolution on August 24, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “**Our Management**” beginning on page 124 of this Draft Red Herring Prospectus.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

#### **Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

#### **Tax Implications:**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “**Statement of Special Tax Benefits**” beginning on page 81 of this Draft Red Herring Prospectus.

#### **Purchase of Property:**

Other than as disclosed in Section “**Business Overview**” beginning on page 91 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

#### **Capitalization of Reserves or Profits:**

Except as disclosed under section titled “**Capital Structure**” beginning on page 52 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

#### **Revaluation of Assets:**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

#### **Servicing Behaviour:**

Except as stated in this Draft, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

#### **Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled **“Our Management”** beginning on page 124 and chapter titled **“Restated Financial Information”** beginning on page 142 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

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

## SECTION VIII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). *The Issue will be undertaken pursuant to the process and procedures under UPI Phase III, subject to any circulars, clarification or notification issues by the SEBI from time to time.*

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application for Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### **The Offer**

The Offer comprises a Fresh Issue by our Company. Expenses for the Offer shall be borne our Company in the manner specified in “Objects of the Issue” beginning on page 67.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association of our Company” beginning on page 273 of this Draft Red Herring Prospectus.

#### **Authority for the Present Issue**

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 30, 2024 and approved by the shareholders of our Company vide a special resolution Passed at the Extra Ordinary General Meeting held on August 31, 2024 pursuant to section 62(1)(c) of the Companies Act.

### **Mode of Payment of Dividend**

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be received by the Allottees, for the entire year, in accordance with applicable law.

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "Dividend Policy" and "Main Provisions of Article of Association" beginning on page 141 and 273 respectively of this Draft Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is ₹ [●] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 74 of this Draft Red Herring Prospectus

The Price Band and the minimum Bid Lot size in the Offer will be decided by our Company, in consultation with the BRLM and shall be published at least 2 Working Days prior to the Bid/ Offer Opening Date, advertised in all editions of the [●], an English language national daily with wide circulation and all editions of [●] and Hindi language national daily with wide circulation, where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

### **Compliance with SEBI (ICDR) Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page 273 of the Draft Red Herring Prospectus.

#### **Minimum Application Value; Market Lot and Trading Lot**

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

Tripartite Agreement dated July 01, 2024 between NSDL, our Company and Registrar to the Issue; and  
Tripartite Agreement dated July 24, 2024 between CDSL, our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act,

2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Operation of Subscription List of Public Offer**

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

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Offer Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and 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/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted

only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266(3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Issuer shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

- I. any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.
- II. any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;



- III. any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;
- IV. any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Red Herring Prospectus may result in changes in the timelines.

#### Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. and 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. and 3.00 p.m. IST

*On the Issue Closing Date, for uploading the Application Forms:*

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI (ICDR) Regulations, 2018, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from SME Platform of BSE may be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Draft Red Herring Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Draft Red Herring Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

### **Withdrawal of the Issue.**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Red Herring Prospectus.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoter' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 52 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 273 of the Draft Red Herring Prospectus.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

- a) If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid-up Capital of our company is more than ₹ 10 crores and the capitalization of our equity is more than ₹25 crores and our company have been listed on SME Platform for at least two years, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this issue is proposed to be listed on the SME Platform of BSE Limited (SME Platform), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered through this Draft Red Herring Prospectus.

For further details of the agreement entered into between the company, the Book Running Lead Manager and the Market Maker please see “General Information” beginning on page 42 of the Draft Red Herring Prospectus.

### **New Financial Instruments**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

### **Allotment of Equity Shares in Dematerialized Form**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form for all investors.

In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Draft Red Herring Prospectus:

- Tripartite agreement dated July 24, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated July 01, 2024 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME Platform of BSE. For further details regarding the salient features and terms of such this issue, please refer to chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 222 and 235 respectively of this Draft Red Herring Prospectus.

Initial Public Offer of upto 30,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●] per Equity Shares (including a premium of ₹[●] per equity share) aggregating to ₹ [●] lacs ("the Offer") by the issuer Company.

The Offer comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Offer to Public of upto [●] Equity Shares of ₹ 10 each ("the Net Offer"). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process.

Particulars of the Offer <sup>(1)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation</b>	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders
<b>Percentage of Offer Size available for allocation</b>	[●] of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Offer less allocation to QIBs and Non - Institutional Bidders will be available for allocation.
<b>Basis of Allotment<sup>(2)</sup></b>	Firm Allotment	Proportionate as follows: (a) Up to	Allotment to each Non- Institutional	Allotment to each Retail Individual

		[●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "Issue Procedure" beginning on page 235 of this Draft Red Herring Prospectus.	Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see "Issue Procedure" beginning on page 235 of this Draft Red Herring Prospectus.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Terms of Payment</b>	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 <sup>(4)</sup>			
<b>Mode of Bidding</b>	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process, Through Banks or by using UPI ID for payment

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

- 1) *Our Company may, in consultation with the Book Running Lead 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 price Anchor Investor Allocation Price*
- 2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- 3) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- 4) *Full Bid Amount shall be payable by the Anchor Investor(s) at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN*

For further details, please refer chapter titled “Issue Procedure” beginning on page 235 of this Draft Red Herring Prospectus.

The Bids by FPIs with certain structures as described under “Issue Procedure” on page 235 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

#### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (*one each in English and Hindi*) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

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

#### **Issue Program**

Event	Indicative Dates
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Bid/Issue Opening Date <sup>1</sup>	[●] <sup>1</sup>
Bid/Issue Closing Date <sup>2</sup>	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

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

*2Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.*

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited (BSE SME) after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to BSE Limited (BSE SME) within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).



## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From December 01, 2023, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE (“BSE SME”) to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above-mentioned website of Platform of BSE (“BSE SME”).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

### **Book Building Issue Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the

SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under subscription, if any, in the QIB Portion, would not be allowed to be met with spill over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

#### **Availability of Draft Red Herring Prospectus/Prospectus and Bid cum Application Forms**

Copies of the Bid cum Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Bid cum Application Form will be available at the offices of the BRLM.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Bid cum Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Bid cum Application Form</b>
Anchor Investor***	White
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\*Excluding electronic Application Form.

\*\*Application Forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application

\*\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Bid cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Bid cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Bid cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

### Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015

Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed Bid cum Application Form to any of the following Intermediaries (Collectively called “Designated Intermediaries”).

Sr No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4.	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	Registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time, basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

### **Who can Bid?**

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Mutual Funds registered with SEBI;
- VCFs registered with SEBI;
- FVCIs registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Nominated Investor and Market Maker
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

### **Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

### **Participation by associates/affiliates of Book Running Lead Manager**

The Book Running Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and the registered office of our company is situated in Ludhiana, Punjab, therefore Punjabi edition of regional newspaper, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) Each Bid cum Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) The BRLM shall accept the Bids from Anchor Investors during the Anchor Investor Bid/Issue Period i.e., one working day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple bids.
- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism – Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 235 of this Draft Red Herring Prospectus.
- g) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- h) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- i) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **BIDS AT DIFFERENT PRICE LEVELS AND REVISION**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company is in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval if, or intimation, to the Bidders.
- c. The bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail individual buyers may bid at the Cut-Off Price. However, bidding at the Cut-Off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-Off Price agree that they shall purchase the equity shares at any price within that Price Band. Retail Individual bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

## **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoter and Promoter Group can apply in the Offer under the Anchor Investor Portion

## **Option to Subscribe to the Issue**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

## **Information for the Bidders:**

- a. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- b. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
- c. Copies of the Bid Cum Bid cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- d. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Bid cum Application Form can obtain the same from our Registered Office.
- e. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

- f. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Bid cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected
- g. The Bid Cum Bid cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- h. Bidders applying directly through the SCSBs should ensure that the Bid Cum Bid cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- i. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Bid cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
- j. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Bid cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Bid cum Application Form is liable to be rejected

#### **Bids by HUF**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Bid cum Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

#### **Bids by Mutual Funds**

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights

#### **Bids by Indian Public including eligible NRIs applying on Non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those

applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“PIS”) is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

#### **Bids by FPIs including FII’s:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.



Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one (1) Investee Company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Bids by provident funds/ pension funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their application, without assigning any reason thereof

#### **Bids by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof.

#### **Bids by Banking Companies**

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are

required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Bids by Insurance Companies**

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and

- where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange
  7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
  9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
  11. The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
  12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  13. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **Bids by Limited Liability Partnerships**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **Bids under Power of Attorney**

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.

- With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- With respect to Applications made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Bid cum Application Form instead of those obtained from the Depositories

### **Bids by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Maximum and Minimum Application Size**

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

#### **2. For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [•] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations**

#### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

##### **ASBA Process**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in> For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Book Running Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Bid cum Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit Bid cum Application Form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

## **Application and validation process**

- a. submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. RII will fill in the Application details in the Bid cum Application Form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c. The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform
- d. Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e. Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day

## **The Block Process**

- a. Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- b. The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“Cut-Off Time”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- c. The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- d. The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a onetime mandate for each application in the IPO.
- e. Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f. The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation
- h. RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.  
Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **Mode of Payment**

Upon submission of an Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Bid cum Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Bid cum Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

## **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

### **1. For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹2,00,000

### **2. For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹2,00,000 and in multiples of Equity Shares thereafter

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Bid cum Application Form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Terms of payment**

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

### **Payment Mechanism**

The Applicants shall specify the bank account number in their Bid cum Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting Bid cum Application Form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

### **Who can apply through UPI Mode:**



Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

### **Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).**

### **Blocking of Funds:**

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

### **Unblocking of Funds:**

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

### **Rejection grounds under UPI Payment Mechanism**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

### **List of Banks providing UPI facility**

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of Bid cum Application Form with SCSBs or using the facility of

linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

### **Electronic Registration of Applications**

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Book Running Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Bid cum Application Form number in their respective schedules other things remaining unchanged, the Bid cum Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Book Running Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
  1. Name of the Applicant;
  2. IPO Name;
  3. Bid cum Application Form number;
  4. Investor Category;
  5. PAN (of First Applicant, if more than one Applicant);
  6. DP ID of the demat account of the Applicant;
  7. Client Identification Number of the demat account of the Applicant;
  8. UPI ID (RIIs applying through UPI Mechanism)
  9. Numbers of Equity Shares Applied for;
  10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  11. Bank account number

12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Bid cum Application Form number which shall be system generated.
7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
  9. In case of QIB Applicants, the Book Running Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
  10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

## **BUILD OF THE BOOK**

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

## **Withdrawal of Bids**

RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## **Signing of Underwriting Agreement**

The issue is 100% Underwritten. For further details please refer to Section titled "General Information" on page 42 of this Draft Red Herring Prospectus.

Filing of the Offer Document with the ROC

For filing details, please refer Chapter titled "General Information" beginning on page 42 of this Draft Red Herring Prospectus.

## **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

#### **Price Discovery & Allocation of Equity shares**

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f. Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

#### **Issuance of Allotment Advice**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.
3. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
4. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

#### **Issuance of Confirmation Allocation Note (“CAN”) And Allotment In The Offer**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Designated Date and Allotment**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment / Unblock or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/ Offer Closing Date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

- a) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- b) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **General Instructions**

Applicants are requested to note the additional instructions provided below.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band
3. Read all the instructions carefully and complete the Application Form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time,;
6. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
7. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Bid cum Application Form is signed by the ASBA account holder (or the UPI-linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of your application;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
13. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
14. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Applicants residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same. All other applications in which PAN is not mentioned will be rejected.
15. Ensure that the Demographic Details are updated, true and correct in all respects;

16. Ensure that the signature of the First Bidder in case of Joint Bids, is included in the Bid cum Application Forms;
17. Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the Constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
18. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Bid cum Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
20. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
21. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
22. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
23. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Bid cum Application Form and the Prospectus;
24. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Bid cum Application Form at the time of submission of the Application;
25. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
26. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
27. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Bid cum Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
8. Do not fill up the Bid cum Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit the General Index Register number instead of the PAN;

10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application if you are not competent to contract under the Indian Contract Act, 1872, (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Instructions for completing the Application Form**

The Applications should be submitted on the prescribed Bid cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the Bid cum Application Form submitted. Bid cum Application Form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

#### **Applicant’s Depository Account and Bank Details**

**Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole

risk and neither the Book Running Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Other Instructions**

#### **Joint Bids in the case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **Multiple Bids**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.



Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue, Book Running Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

#### **Investor Grievance**

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- a. During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b. In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c. For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

#### **Grounds for Technical Rejections**

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount blocked does not tally with the amount payable for the Equity Shares applied for;

- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Bid cum Application Form;
- e. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- f. GIR number furnished instead of PAN;
- g. Bid for lower number of Equity Shares than specified for that category of investors;
- h. Bids at Cut-off Price by NIIs and QIBs;
- i. Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the DRHP;
- j. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- k. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- l. Category not ticked;
- m. Multiple Bids as defined in the DRHP;
- n. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- o. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- p. Signature of sole Bidder is missing;
- q. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- r. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- s. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- t. Bid by OCBs;
- u. Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- v. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- w. Bids not uploaded on the terminals of the Stock Exchange;
- x. Where no confirmation is received from SCSB for blocking of funds;
- y. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- z. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- aa. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- bb. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
  - a. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
  - b. Details of ASBA Account not provided in the Bid cum Application form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section of the BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid

cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

- b. Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c. In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated July 01, 2024 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated July 24, 2024 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0YON01014

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Bid cum Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Bid cum Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Bid cum Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

**MALPANI PIPES AND FITTINGS LIMITED**  
**Hariom Patidar**

Company Secretary and Compliance Officer  
**Address:** 60-A-4, Sector B Industrial Area, Ratlam,  
Madhya Pradesh, India, 457001  
**Tel No:** 07412-260707  
**Website:** <https://www.malpanipipes.com>  
**E-mail:** pipes@malpanipipes.com

**Bigshare Services Private Limited**

**Address:** Office No. S6-2, 6th Floor, Pinnacle Business  
Park, Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East), Mumbai – 400093  
**Tel No.:** +91 22-62638200  
**Fax No.:** +91 22-62638299  
**Website:** www.bigshareonline.com  
**E-Mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Contact Person:** Vinayak Morbale  
SEBI Reg. No.: INR000001385

**Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

**Impersonation**

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

**Names of entities responsible for finalising the basis of allotment in a fair and proper manner.**

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

## **AT PAR FACILITY**

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that "at par" facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

### **Grounds for Refund**

#### **Non-Receipt of Listing Permission**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Red Herring Prospectus. The designated Stock Exchange may be as disclosed in the Draft Red Herring Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Red Herring Prospectus, the Book Running Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from Book Running Lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of forth days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

#### **Minimum Number of Allottees**

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

#### **Mode of Refunds**

- a) In case of ASBA Bids: Within 6 (six) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

- c) In case of Investors: Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **Mode of making refunds for Applicants other than ASBA Applicants**

The payment of refund, if any, may be done through various modes as mentioned below:

- I. **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- II. **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- III. **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- IV. **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- V. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Red Herring Prospectus.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

### **Completion of Formalities for listing & Commencement of Trading**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 3 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 3 Working Days of the Issue Closing Date.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for 95% of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

#### **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- 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
  - not more than 60% of the QIB Portion will be allocated to Anchor Investors
  - one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - 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.
- 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.
- In the event that the Offer Price is higher than the Anchor Investor Allocation Price:
 

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- In the event the Offer Price is lower than the Anchor Investor Allocation Price:
 

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice
- Basis of Allotment for QIBs (Other than Anchor Investors) and NIIs in case of Over Subscribed offer
 

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder

  - 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).
  - 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 Offer specified under the Capital Structure mentioned in this Prospectus

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. No Retail Individual applicant will be allotted less than the minimum application Lot subject to availability of Equity Shares in Retail Individual Investor Category and the remaining available Equity Shares, if any will be allotted on a proportionate basis. The Company is required to receive a minimum subscription of 90% of the Issue.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

**Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, Registrar 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.
- Registrar 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.
- Registrar prepares the list of final rejections and circulate the rejections list with LM / Company for their review/ comments.
- Post rejection, the Registrar submits the basis of allotment with the Stock Exchange.
- The Stock Exchange, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The Registrar 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 Registrar 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 Stock Exchange 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 Registrar 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.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Bid cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Bid cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Bid cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Bid cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Bid cum Application Form

number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Undertaking by our Company**

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (Three) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time prescribed under applicable law from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

### **Utilization of Issue Proceeds**

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and

4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

### **Investment by NRI or OCI on repatriation basis**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF  
THE ARTICLES OF ASSOCIATION**

**MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF  
MALPANI PIPES AND FITTINGS LIMITED**

<b>INTERPRETATION</b>	
I	<p>1. In these regulations</p> <p>a. the Act means the Companies Act, 2013,</p> <p>b. the “Company” means <b>MALPANI PIPES AND FITTINGS LIMITED</b></p> <p>c. “the seal” means the common seal of the company.</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 bending on the company.</p>
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	
II. 1.	Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.	<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 mutatis mutandis apply to debentures of the company.</p>
4.	Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5.	<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 rules 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</p>

	<p>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 to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</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 shares ranking pari-passu therewith.
8.	Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
<b>LIEN</b>	
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: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p> <p>iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>
10.	<p>The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-</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 authorise 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>
<b>CALLS ON SHARES</b>	
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: 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> <p>iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits</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 installments.



15.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16.	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
17.	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
18.	<p>The Board -</p> <ul style="list-style-type: none"> <li>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</li> <li>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.</li> </ul>
<b>TRANSFER OF SHARES</b>	
19.	<ul style="list-style-type: none"> <li>i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.</li> <li>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.</li> <li>iii. That a common form of transfer shall be used</li> </ul>
20.	<ul style="list-style-type: none"> <li>i. The Board may, subject to the right of appeal conferred by section 58 decline to register—</li> <li>ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>iii. any transfer of shares on which the company has a lien.</li> </ul>
21.	<p>The Board may decline to recognise any instrument of transfer unless—</p> <ul style="list-style-type: none"> <li>a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>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</li> </ul> <p>the instrument of transfer is in respect of only one class of shares. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever</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: 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>
<b>TRANSMISSION OF SHARES</b>	
23.	<ul style="list-style-type: none"> <li>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares</li> <li>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.</li> <li>iii. That a common form of transmission shall be used</li> </ul>
24.	<ul style="list-style-type: none"> <li>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- <ul style="list-style-type: none"> <li>a. to be registered himself as holder of the share; or</li> <li>b. to make such transfer of the share as the deceased or insolvent member could have made.</li> </ul> </li> <li>ii. The Board shall, in either case, have the same right to decline or suspend registration as it</li> </ul>

	would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25.	<ul style="list-style-type: none"> <li>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.</li> <li>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>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.</li> </ul>
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 been complied with.</p>
<b>FORFEITURE OF SHARES</b>	
27.	If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28.	<p>The notice aforesaid shall-</p> <ul style="list-style-type: none"> <li>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</li> <li>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.</li> </ul>
29.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30.	<ul style="list-style-type: none"> <li>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> <li>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ul>
31.	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
32.	<ul style="list-style-type: none"> <li>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;</li> <li>ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>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.</li> </ul>
33.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

<b>ALTERATION OF CAPITAL</b>	
34.	The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35.	Subject to the provisions of section 61, the company may, by ordinary resolution- <ul style="list-style-type: none"> <li>i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</li> <li>iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and</li> <li>iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</li> <li>v. Permission for sub-division/ consolidation of share certificates</li> </ul>
36.	Where shares are converted into stock,— <ul style="list-style-type: none"> <li>• 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;</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>
37.	The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law- <ul style="list-style-type: none"> <li>• it share capital;</li> <li>• any capital redemption reserve account; or</li> <li>• any share premium account.</li> </ul>
<b>CAPITALISATION OF PROFITS</b>	
38.	The company in general meeting may, upon the recommendation of the Board, resolve- <ul style="list-style-type: none"> <li>i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and</li> <li>ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</li> <li>iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards- <ul style="list-style-type: none"> <li>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>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;</li> <li>c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</li> </ul> </li> <li>iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;</li> <li>v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</li> </ul>
39.	<ul style="list-style-type: none"> <li>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall- <ul style="list-style-type: none"> <li>a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all</li> <li>b. allotments and issues of fully paid shares if any; and</li> </ul> </li> </ul>

	<p>c. 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 authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>
<b>BUY-BACK OF SHARES</b>	
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.
<b>GENERAL MEETINGS</b>	
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>
<b>PROCEEDINGS AT GENERAL MEETINGS</b>	
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 chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
<b>ADJOURNMENT OF MEETING</b>	
47.	<p>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</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>
<b>VOTING RIGHTS</b>	
48.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,</p> <p>i. on a show of hands, every member present in person shall have one vote;</p> <p>ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.</p> <p>iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings</p>
49.	A member may exercise his vote at a meeting by electronic means in accordance with section 108

	and shall vote only once.
50.	<p>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.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>
51.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52.	Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54.	<p>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.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>
<b>PROXY</b>	
55.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57.	<p>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:</p> <p>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.</p>
<b>BOARD OF DIRECTORS</b>	
58.	<p>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.</p> <p>Following persons are appointed as first director of the company:</p> <p>1. Mr. Harsh Malpani (DIN : 07691974)</p> <p>2. Mr. Mohit Malpani (DIN : 07691981)</p>
59.	<p>The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>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-</p> <ul style="list-style-type: none"> <li>• in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>• in connection with the business of the company.</li> </ul>
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.	<p>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</p>

	<p>directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.</p> <p>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.</p>
<b>PROCEEDINGS OF THE BOARD</b>	
65.	<p>The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board</p>
66.	<p>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.</p> <p>ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>
67.	<p>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.</p>
68.	<p>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>
69.	<p>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.</p> <p>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.</p>
70.	<p>i. A committee may elect a Chairperson of its meetings.</p> <p>ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>
71.	<p>i. A committee may meet and adjourn as it thinks fit.</p> <p>ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>
72.	<p>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.</p>
73.	<p>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.</p>
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>	
74.	<p>Subject to the provisions of the Act,</p> <p>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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer</p>
75.	<p>A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>



<b>THE SEAL</b>	
76.	<ul style="list-style-type: none"> <li>i. The Board shall provide for the safe custody of the seal.</li> <li>ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of any director or of the secretary or such other person as the Board may appoint for the purpose; and such director or the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</li> </ul>
<b>DIVIDENDS AND RESERVE</b>	
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.	<ul style="list-style-type: none"> <li>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.</li> <li>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</li> </ul>
80.	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.</li> </ul>
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.	<ul style="list-style-type: none"> <li>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.</li> <li>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</li> </ul>
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.
<b>ACCOUNTS</b>	
86.	<ul style="list-style-type: none"> <li>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.</li> <li>ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</li> </ul>
<b>WINDING UP</b>	

87.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder-</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>
<b>INDEMNITY</b>	
88.	<p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.</p>



## SECTION - X - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at At 65-A, Sector B Industrial Area, Ratlam, Madhya Pradesh, India, 457001 between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at [www.malpanipipes.com](http://www.malpanipipes.com), and will be available for inspection from date of the Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material contracts for the Issue

1. Issue Agreement dated September 03, 2024 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated September 03, 2024 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [●] amongst our Company, the Underwriter and the Book Running Lead Manager.
4. Market Making Agreement dated [●] amongst our Company, Market Maker and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Book Running Lead Manager, Banker (s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement July 24, 2024 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated July 01, 2024 amongst our Company, National Securities Depository Limited and Registrar to the Issue.
8. Syndicate Agreement dated [●] entered into amongst the members of Syndicate, Book Runner Lead Manager, Registrar to issue and Our Company.

#### B. Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated August 30, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated August 31, 2024 in relation to the Issue and other related matters.
4. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker to include their names in this Draft Red Herring Prospectus and to acting their respective capacities.
5. Peer Review Auditors Report dated September 02, 2024 on Restated Financial Statements of our Company for the period ended on March 31, 2024, March 31, 2023 and 2022.
6. The Report dated September 11, 2024 from the Statutory Auditors of our Company, confirming the Statement of Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. Audit Committees Resolution dated September 11, 2024 approving the KPI and Certificate from the Peer Review Auditor of the Company September 11, 2024, Chartered Accountants dated September 11, 2024 with respect to the KPIs disclosed in this Draft Red Herring Prospectus.

8. Board Resolution dated September 16, 2024, [●] and [●] for approval of this Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively
9. Copy of Approval dated [●] from the SME Platform of BSE to use their name in the Prospectus for listing of Equity Shares.
10. Due diligence certificate on Draft Red Herring Prospectus from Book Running Lead Manager dated September 16, 2024 addressing BSE, Red Herring Prospectus from Book Running Lead Manager dated [●] addressing BSE and Prospectus from Book Running Lead Manager dated [●] addressing BSE & SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

### Signed by the Directors of the Company:

Name	Designation	Signature
Rohit Malpani	Managing Director	Sd/-
Mohit Malpani	Whole Time Director	Sd/-
Harsh Malpani	Whole Time Director	Sd/-
Sonal Malpani	Non-Executive & Woman Director	Sd/-
Neha Somani	Independent Director	Sd/-
Ashesh Agnihotri	Independent Director	Sd/-

### Signed by:

Name	Designation	Signature
Harsh Malpani	Chief Financial Officer	Sd/-
Hariom Patidar	Company Secretary and Compliance Officer	Sd/-

**Place: Ratlam**

**Date: September 16, 2024**