(Please scan this QR code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated September 25, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

M & B ENGINEERING LIMITED

Corporate Identity Number: U45200GJ1981PLC004437

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
MB House, 51, Chandrodaya Society, Opp. Golden Triangle Stadium Road, Post Navjivan, Ahmedabad – 380 014, Gujarat, India	Palak Dilipbhai Parekh, Company Secretary and Compliance Officer	**Tel:** +91 79- 26463784 **Email:** compliance@mbel.in	www.mbel.in

OUR PROMOTERS: GIRISHBHAI MANIBHAI PATEL, CHIRAG HASMUKHBHAI PATEL, MALAV GIRISHBHAI PATEL, BIRVA CHIRAG PATEL, VIPINBHAI KANTILAL PATEL, ADITYA VIPINBHAI PATEL, LEENABEN VIPINBHAI PATEL, CHIRAG H PATEL FAMILY TRUST, VIPIN K PATEL FAMILY TRUST, MGM5 FAMILY TRUST, MGM11 FAMILY TRUST, ADITYA V PATEL FAMILY TRUST

DETAILS OF THE OFFER TO THE PUBLIC

Type	Fresh Issue Size	Offer for Sale size	Total Offer size	Eligibility and Reservations
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 3,250.00 million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 3,280.00 million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 6,530.00 million	The Offer is being made pursuant to Regulation 6(2) of the SEBI ICDR Regulations, as amended. For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 395. For details in relation to share reservation among QIBs, NIIs, RIBs and Eligible Employees, see "*Offer Structure*" on page 412.

OFFER FOR SALE BY THE SELLING SHAREHOLDERS

Name of the Selling Shareholders	Type	Number of Equity Shares Offered	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Girishbhai Manibhai Patel	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,326.00 million	0.42
Chirag Hasmukhbhai Patel	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,101.00 million	0.94
Vipinbhai Kantilal Patel[1]	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 123.00 million	2.02
Birva Chirag Patel	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 375.00 million	2.00
Aditya Vipinbhai Patel	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 130.00 million	2.02
Leenaben Vipinbhai Patel[2]	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 75.00 million	2.02
Umaben Girishbhai Patel	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 150.00 million	2.02

**As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 25, 2024.*
[1] Equity Shares held jointly with Leenaben Vipinbhai Patel
[2] Equity Shares held jointly with Vipinbhai Kantilal Patel

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 each. The Offer Price, Floor Price and the Price Band (as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for Equity Shares by way of the Book Building Process, in accordance with SEBI ICDR Regulations, and as stated in "*Basis for Offer Price*" on page 125) 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 or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange

Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 29.

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Each of the Selling Shareholders, severally and not jointly accepts responsibility for and confirms the statements made or confirmed by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to themselves and their respective Offered Shares and assume responsibility that such statements are true and correct in all material respects and are not misleading in any material respect

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

Logos of Book Running Lead Managers	Name of Book Running Lead Manager	Contact Person	Email and Telephone
	Equirus Capital Private Limited	Mrunal Jadhav	**Email:** mb@equirus.com **Tel:** +91 22 4332 0734
	DAM Capital Advisors Limited	Akshay Bhandari/ Puneet Agnihotri	**Email:** mbel.ipo@damcapital.in **Tel:** +91 22 4202 2500

REGISTRAR TO THE OFFER

Logo of the Registrar	Name of Registrar	Contact Person	Email and Telephone
	Link Intime India Private Limited	Ms. Shanti Gopalkrishnan	**Email:** mbengg.ipo@linkintime.co.in **Tel:** +91 8108114949

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD	**[●]***	**BID/OFFER OPENS ON**	**[●]**	**BID/OFFER CLOSES ON******	**[●]**^**

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

** *Our Company, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

(Please scan this QR code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated September 25, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

M & B ENGINEERING LIMITED

Our Company was originally incorporated as "Manibhai and Brothers (Construction) Private Limited" a private limited company under the Companies Act, 1956 through certificate of incorporation dated June 16, 1981, issued by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"). Subsequently, the name of our Company was changed to "M & B Engineering Private Limited" pursuant to a Board resolution dated September 5, 2006 and a resolution passed in the extra ordinary general meeting of the Shareholders held on November 7, 2006 and consequently a fresh certificate of incorporation dated November 22, 2006 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, to reflect the change in name. Further, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed by our Shareholders dated March 24, 2011, and the name of our Company was changed to 'M&B Engineering Limited', and a fresh certificate of incorporation dated March 30, 2011, was issued to our Company by the Registrar of Companies, Dadra and Nagar Haveli at Gujarat. For further details, see "*History and Certain Corporate Matters – Brief History of our Company*" on page 235.

Registered and Corporate Office: MB House, 51, Chandrodaya Society, Opp. Golden Triangle Stadium Road, Post Navjivan, Ahmedabad – 380 014, Gujarat, India;
Contact Person: Palak Dilipbhai Parekh, Company Secretary and Compliance Officer; **Tel:** +91 79- 26463784
E-mail: compliance@mbel.in ; **Website**: www.mbel.in ; **Corporate Identity Number:** U45200GJ1981PLC004437

OUR PROMOTERS: GIRISHBHAI MANIBHAI PATEL, CHIRAG HASMUKHBHAI PATEL, MALAV GIRISHBHAI PATEL, BIRVA CHIRAG PATEL, VIPINBHAI KANTILAL PATEL, ADITYA VIPINBHAI PATEL, LEENABEN VIPINBHAI PATEL, CHIRAG H PATEL FAMILY TRUST, VIPIN K PATEL FAMILY TRUST, MGM5 FAMILY TRUST, MGM11 FAMILY TRUST, ADITYA V PATEL FAMILY TRUST

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF M & B ENGINEERING LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ 6,530.00 MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UPTO ₹3,250.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES (THE "OFFERED SHARES") INCLUDING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,326.00 MILLION BY GIRISHBHAI MANIBHAI PATEL, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,101.00 MILLION BY CHIRAG HASMUKHBHAI PATEL, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 123.00 MILLION BY VIPINBHAI KANTILAL PATEL (HELD JOINTLY WITH LEENABEN VIPINBHAI PATEL), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 375.00 MILLION BY BIRVA CHIRAG PATEL, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 130.00 MILLION BY ADITYA VIPINBHAI PATEL AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 75.00 MILLION BY LEENABEN VIPINBHAI PATEL (HELD JOINTLY WITH VIPINBHAI KANTILAL PATEL) (COLLECTIVELY THE "PROMOTER SELLING SHAREHOLDERS"), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 150.00 MILLION BY UMABEN GIRISHBHAI PATEL (THE "PROMOTER GROUP SELLING SHAREHOLDER" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ 3,280.00 MILLION (THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY MAY, IN CONSULTATION WITH THE BRLMS, OFFER A DISCOUNT UP TO ₹ [●] TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE AND EMPLOYEE DISCOUNT (IF ANY) WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE [●], AN ENGLISH LANGUAGE NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF [●], A HINDI LANGUAGE NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND ALL EDITIONS OF [●], A GUJARATI LANGUAGE DAILY NEWSPAPER WITH WIDE CIRCULATION (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO 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 RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT AGGREGATING UP TO ₹ 650.00 MILLION, AS MAY BE PERMITTED UNDER APPLICABLE LAW, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Self-Certified Syndicate Bankes ("**SCSBs**") and other Designated Intermediaries and Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR"**), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(2) of the SEBI ICDR Regulations, through the Book Building Process wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs"**) (such portion referred to as "**QIB Portion**"), provided that 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 (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (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 Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer 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 all QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000 ; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allotted on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price (net of Employee Discount, if any). All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see '*Offer Procedure'* on page 416.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price and the Price Band, as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations and as stated in '*Basis for Offer Price*' on page 125 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements made or confirmed by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to themselves and their respective Offered Shares and assume responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 456.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
Equirus Capital Private Limited	**DAM Capital Advisors Limited**	**Link Intime India Private Limited**

(Please scan this QR code to view the DRHP)

DRAFT RED HERRING PROSPECTUS
Dated September 25, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC)*
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

12th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai – 400013 Maharashtra, India **Tel.:** +91 22 4332 0734 **E-mail**: mb@equirus.com **Website:** www.equirus.com **Investor grievance e-mail:** investorsgrievance@equirus.com **Contact person:** Mrunal Jadhav **SEBI Registration Number:** INM000011286	One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India **Tel.:** +91 22 4202 2500 **E-mail**: mbel.ipo@damcapital.in **Website:** www.damcapital.in **Investor grievance e-mail:** complaint@damcapital.in **Contact person:** Akshay Bhandari/ Puneet Agnihotri **SEBI Registration Number:** MB/INM000011336	C 101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Maharashtra, India 400083 **Tel:** +91 8108114949 **E-mail:** mbengg.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor grievance e-mail:** mbengg.ipo@linkintime.co.in **Contact person:** Ms. Shanti Gopalkrishnan **SEBI Registration No.**: INR000004058

BID/OFFER PROGRAMME					
ANCHOR INVESTOR BID/ OFFER PERIOD	**[●]***	**BID/ OFFER OPENS ON**	**[●]**	**BID/ OFFER CLOSES ON**	**[●]**^**

* *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

** *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date*

TABLE OF CONTENTS

[*This page is intentionally left blank*]

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

Notwithstanding the foregoing, the terms used in "Objects of the Offer", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Financial Information", "Financial Indebtedness", "Outstanding Litigation and Material Developments", "Other Regulatory and Statutory Disclosures", and "Description of Equity Shares and Terms of Articles of Association" on pages 109, 125, 135, 140, 229, 235, 280, 379, 382, 396 and 436 respectively, shall have the respective meanings ascribed to them in the relevant sections.

General Terms

Term(s)	Description
"Our Company" or "the Company" or "the Issuer"	M & B Engineering Limited, a public limited company incorporated under the Companies Act, 1956, whose registered and corporate office is situated at MB House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad – 380 014, Gujarat, India
"We" or "us" or "our"	Unless the context otherwise indicates, requires or implies, refers to our Company, together with our Subsidiaries, on a consolidated basis

Company related terms

Term(s)	Description
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board re-constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management – Committees of our Board – Audit Committee*" on page 256
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, namely, M/s Talati & Talati LLP
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof, and as described in "*Our Management – Board of Directors*" on page 246
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, being Keyur Bachubhai Shah. For further details, see *"Our Management – Key Managerial Personnel and Senior Management Personnel"* on page 263
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Palak Dilipbhai Parekh. For further details, see *"Our Management – Key Managerial Personnel and Senior Management Personnel"* on page 263
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board re-constituted in accordance with the Companies Act, 2013 as described in "*Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee*" on page 260
CRISIL MI&A	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
CRISIL Report	Industry report prepared by CRISIL MI&A titled "*Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries*" dated September, 2024
Director(s)	The director(s) on the Board of Directors
Equity Shares	The equity shares of our Company of face value of ₹10 each
"Executive Director(s)" or "Whole-time Director(s)"	The executive or whole-time director(s) on the Board of Directors. For further details of the Executive Directors, see "*Our Management – Board of Directors*" on page 246
Group Companies	Our group companies as disclosed in section "*Our Group Companies*" on page 276
Independent Director(s)	An independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Independent Directors, see "*Our Management – Board of Directors*" on page 246

Term(s)	Description
Joint Managing Director(s)	The joint managing director(s) of our Company, being Chirag Hasmukhbhai Patel and Malav Girishbhai Patel. For further details, see *"Our Management – Board of Directors"* on page 246
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in "*Our Management – Key Managerial Personnel and Senior Management Personnel*" on page 263
M&B ESOP Plan 2024	M & B Engineering Limited Employee Stock Option Plan 2024
Materiality Policy	The policy adopted by our Board of Directors pursuant to its resolution dated September 23, 2024, for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
Material Subsidiary	The material subsidiary of our Company, being Phenix Building Solutions Private Limited
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee*" on page 258
Non-Executive Director(s)	A non-executive Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Non-Executive Director(s), see "*Our Management – Board of Directors*" on page 246
Preference Shares	The preference shares of our Company of face value of ₹10 each
Promoters	The Promoters of our Company, being Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Birva Chirag Patel, Vipinbhai Kantilal Patel, Aditya Vipinbhai Patel, Leenaben Vipinbhai Patel, Chirag H Patel Family Trust, Vipin K Patel Family Trust, MGM5 Family Trust, MGM11 Family Trust and Aditya V Patel Family Trust
Promoter Selling Shareholders	Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Vipinbhai Kantilal Patel, Birva Chirag Patel Aditya Vipinbhai Patel and Leenaben Vipinbhai Patel
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 266
Promoter Group Selling Shareholder	Umaben Girishbhai Patel
"Registered and Corporate Office" or "Registered Office"	The registered and corporate office of our Company, situated at MB House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad – 380 014, Gujarat, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Gujarat at Ahmedabad
Restated Consolidated Financial Statements	The Restated Consolidated Financial Statements of our Company, together with its Subsidiaries, ("**Group**") comprising the restated consolidated financial statement of assets and liabilities as at ended March 31, 2024, March 31, 2023 and March 31, 2022 and restated consolidated financial statement of profit and loss (including other comprehensive income), and restated consolidated financial statement of cash flows and restated consolidated statement of changes in equity for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the consolidated financial statement of significant accounting policies, and other explanatory information of our Company, derived from audited consolidated financial statements for the financial year ended March 31, 2024, audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Risk Management Committee	The risk management committee of our Board constituted in accordance with the SEBI Listing Regulations, and as described in "*Our Management - Committees of the Board – Risk Management Committee*" on page 257
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Promoter Group Selling Shareholder
"Shareholder(s)"	The holders of the Equity Shares of our Company from time to time.
"Senior Management Personnel" or "SMP"	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in "*Our Management – Key Managerial Personnel and Senior Management Personnel*" on page 263
Stakeholders' Relationship	The stakeholders' relationship committee of our Board constituted in accordance with the

Term(s)	Description
Committee	Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board of Directors – Stakeholders' Relationship Committee*" on page 259
Subsidiaries	The subsidiaries of our Company, being Phenix Building Solutions Private Limited and Phenix Construction Technologies Inc., the details of which are set out in "*Our Subsidiaries*" on page 243

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale, in each case to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to all the Bidders who have bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which allocation will be done to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Allocation Price shall be determined by our Company, in consultation with the BRLMs
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, 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 accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorise an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	Bidder(s), except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bankers to the Offer	The Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the

Term	Description
	Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 416
Bid	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	In relation to each Bid, the highest value of the Bids indicated in the Bid cum Application Form (less Employee Discount, if any) and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid and in the case of Retail Individual Bidders, Bidding at the Cut- off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of such Bid Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid Amount shall be Cap Price, net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount, if any)
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the case may be
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation. Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to any bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof. Provided that the Bid/Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for

Term	Description
	Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being Equirus Capital Private Limited and DAM Capital Advisors Limited
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, using the UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price
Cash Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, remitting refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to a dematerialised account
"Collecting Depository Participant" or "CDPs"	A depository participant, as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars, issued by SEBI as per the list available on the websites of the Stock Exchanges, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price (net of Employee Discount, if any, for Eligible Employees). QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI
Designated CDP Locations	Such centres of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instructions issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s), in terms of the Red Herring Prospectus and the Prospectus, following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, and HNIs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) and Eligible Employees in the Employee Reservation Portion by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked

Term	Description
	upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate Members, Registered Brokers, SCSBs, CDPs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, Sub- Syndicate Members, Registered Brokers, SCSBs, CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to the RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated September 25, 2024 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda hereto
Eligible Employees	Permanent employees, working in India (excluding such employees who are not eligible to invest in the Offer under applicable laws), of our Company or of Corporate Promoter or of our Subsidiaries; or a Director of our Company, whether whole-time or not, as of the date of the filing of the Red Herring Prospectus with the RoC and continues to be a permanent employee until the date of submission of the Bid cum Application Form, but not including (i) Promoters; (ii) persons belonging to the Promoter Group; or (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount, if any)
Eligible FPIs	FPIs that are eligible to participate in the Offer from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid cum Application Form will constitute an invitation to subscribe to or purchase the Equity Shares
Employee Discount	A discount of ₹[●] per Equity Share as may be offered by our Company, in consultation with the BRLMs, to Eligible Employees and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating ₹[●] million which shall not exceed 5% of the post-Offer equity share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s), which are clearing member(s) and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case, being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted

Term	Description
	and which shall not be less than the face value of the Equity Shares
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 3,250.00 million by our Company Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the UPI Circulars, as amended from time to time The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency.
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Gross Proceeds of the Fresh Issue less our Company's share of the Offer-related expenses. For further details regarding the use of the Net Proceeds and the Offer-related expenses, see "*Objects of the Offer*" on page 109
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer being [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price, out of which (a) one-third shall be reserved for Bidders with Bids exceeding ₹0.20 million up to ₹1.00 million; and (b) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1.00 million.
"Non-Institutional Bidders" or "NIBs" or "Non-Institutional Investors"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each, aggregating up to ₹6,530.00 million, comprising of the Fresh Issue and the Offer for Sale. The offer comprises the Net Offer and Employee Reservation. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will

Term	Description
	result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
Offer Agreement	The agreement dated September 25, 2024 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹3,280.00 million by the Selling Shareholders including up to [●] Equity Shares aggregating up to ₹1,326.00 million by Girishbhai Manibhai Patel, up to [●] Equity Shares aggregating up to ₹ 1,101.00 million by Chirag Hasmukhbhai Patel, up to [●] Equity Shares aggregating up to ₹ 123.00 million by Vipinbhai Kantilal Patel*, up to [●] Equity Shares aggregating up to ₹ 375.00 million by Birva Chirag Patel, up to [●] Equity Shares aggregating up to ₹ 130.00 million by Aditya Vipinbhai Patel, up to [●] Equity Shares aggregating up to ₹ 75.00 million by Leena Vipinbhai Patel**, (collectively, Promoter Selling Shareholders) and up and [●] Equity Shares aggregating up to ₹ 150.00 million by Umaben Girishbhai Patel (Promoter Group Selling Shareholder, and together with the Promoter Selling Shareholders, the Selling Shareholders)
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except for the Anchor Investors), in terms of the Red Herring Prospectus and the Prospectus, which shall not be lower than the face value of the Equity Shares. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus. The Offer Price will be determined by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus. A discount of ₹ [●] per Equity Share may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company, in consultation with the BRLMs.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For details about use of the Offer Proceeds, see "*Objects of the Offer*" on page 109.
Offered Shares	Up to [●] Equity Shares aggregating up to ₹3,280.00 million, being offered in the Offer for Sale by the Selling Shareholders
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
Price Band	Price band of a minimum price of ₹[●] per Equity Share (*i.e.,* the Floor Price) and the maximum price of ₹[●] per Equity Share (*i.e.*, the Cap Price), including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot and Employee Discount, if any, for the Offer will be decided by our Company, in consultation with the BRLMs, and shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujrati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two 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 respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, shall finalize the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment

Term	Description
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, and containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	'No-lien' and 'non-interest-bearing' bank account(s) opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the SEBI BTI Regulations, with which the Public Offer Account(s) shall be opened, being [●]
"Qualified Institutional Buyer(s)" or "QIBs"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer
QIB Portion	The portion of this Offer being not less than 75% of the Offer being not less than [●] Equity Shares, which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
"Red Herring Prospectus" or "RHP"	The red herring prospectus for the Offer to be issued by our Company in accordance with the Companies Act and the SEBI ICDR Regulations which will not have complete particulars of the Offer Price and size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate, and eligible to procure Bids in terms of circular number no. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated September 18, 2024 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited
"Retail Individual Bidders" or "RIBs" or "RII" or "Retail Individual Investors"	Individual Bidders who have Bid for Equity Shares for an amount of not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through the *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not more than 10% of the Offer, being not more than [●] Equity Shares, available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) can revise their Bids during the Bid/Offer Period and can withdraw their Bids until the Bid/Offer Closing Date
SCORES	SEBI Complaints Redress System
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI

Term	Description
	at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time In accordance with the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, issued by SEBI, UPI Bidders using UPI Mechanism may apply through the SCSBs and mobile applications (apps) whose name appears on the SEBI website. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId =43, as updated from time to time
Share Escrow Agent	[●]
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	Bank(s) registered with SEBI which will be appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the UPI Bidders into the UPI, in this case being [●] and [●]
"Syndicate" or "members of the Syndicate"	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●]
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date but before filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion (ii) individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion and (iii) Eligible Employees Bidding under the Employee Reservation Portion, and Bidding under the UPI Mechanism through ASBA Forms(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognised stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in

Term	Description
	this regard
UPI ID	An ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
"Wilful Defaulter"	A wilful defaulter, as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

**Equity Shares held jointly with Leenaben Vipinbhai Patel*
***Equity Shares held jointly with Vipinbhai Kantilal Patel*

Technical/ Industry and business-related Terms

Term(s)	Description
AISC	American Institute of Steel Construction
CAD	Computer Aided Design
CAGR	Compound annual growth rate
CGWB	Central ground water board
Cheyyar Facility	Operation set up at Cheyyar plant
CNC	Computer numerical control
Company IT Department	Company Information Technology Department
DFT	Dry film thickness
DG sets	Diesel Generator set
DTM	Direct to metal
FDI	Foreign direct investment
FM Global	Factory Mutual Global
GA Drawing	General arrangement drawings
GDP	Gross domestic product
GVA	Gross value added
H-Beams	Wide flange beam (H- beams are structural steel beams)
HM medium flange	Medium flange beam
HN narrow flange	Narrow flange beam
HNI	High net worth individuals
HR plates	Hot rolled plate
HRB	Hardness rockwell B scale
HRC	Hardness rockwell C scale
HVLS fans	High volume low speed fans
HW wide flange	Wide flange beam
I-Beams	I shape beam
IIP	Index of Industrial Production
IMF	International Monetary Fund
IT	Information technology
IEC	Import Export Code
ISMB beams	Indian standard medium weight beam
ISMC channel	Indian standard medium weight channel
ISO	International Organization for Standardization
Manufacturing Facilities/Facility	Sanand Facility and Cheyyar Facility
MBS	Metal Building Software
M/C	Machine

Term(s)	Description
MEK testing	Methyl Ethyl Ketone Testing
Membership Certificate	Certificate evidencing Membership
MT	Metric tonne
MTPA	Million tonnes per annum
NABL	National Accreditation Board for Testing and Calibration Laboratories
NDT	Non-Destructive Testing
OPBDIT	Operating profit before depreciation interest and tax
PEB	Pre-engineered buildings
Phenix Division	Division supplying and erecting Pre Engineered Building and Steel Structurals
PHX	Phenix
PHX-Cees	Phenix std. C purlin
PHX-Zees	Phenix std. Z purine
PRO	Proflex
Proflex Division	Division supplying and erecting Self supported Steel roofing
RCC	Reinforcement Cement Concrete
RDSO	Research Design and Standards Organization
RM Preparation	Raw material preparation
ROCE	Return on capital employed
ROE	Return on equity
Sanand Facility	Operational facility at Sanand (Sanand factory)
Self-Supported Roofing	Self Supported Steel roofing supplied and erected by Phenix division
STAAD	Structural analysis and design (software)
T-Beams	Tee beam
TEKLA/ TRIMBLE	Technology corporation (Tekla is model based construction software)
TUF-dome lite	Transformer utilization factor
W section	Wide flange beam
WFT	Wet film thickness
ZWCAD	CAD application software

Conventional Terms/Abbreviations

Term	Description
AGM	Annual General Meeting
“Alternative Investment Funds” or “AIFs”	Alternative investment funds as defined in, and registered under the SEBI AIF Regulations
BSE	BSE Limited
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF
Category I FPIs	FPIs registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF
Category II FPIs	FPIs registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
“Companies Act” or “Companies Act, 2013”	The Companies Act, 2013, read with the rules, regulations, clarifications and amendments notified thereunder
CSR	Corporate social responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant’s identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EGM	Extraordinary General Meeting
EPS	Earnings per share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated

Term	Description
	October 15, 2020 effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations notified thereunder
“FEMA Non-debt Instruments Rules” or the “FEMA NDI Rules”	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year” or “Fiscal(s)” or “Fiscal Year” or “FY”	The period of 12 months ending March 31 of that particular calendar year
FPIs	Foreign portfolio investors as defined in, and registered with SEBI under the SEBI FPI Regulations
Fugitive Economic Offender	Fugitive Economic Offender as defined under Regulation 2(1)(p) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GDP	Gross Domestic Product
“Government of India” or “Central Government” or “GoI”	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013, as amended
Ind AS 24	Indian Accounting Standard 24, “Related Party Disclosures”, notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS 37	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS 108	Indian Accounting Standard 108, “Operating Segments”, notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, as amended
“INR” or “Rupee” or “₹” or “Rs.”	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IST	Indian Standard Time
IT	Information technology
MCA	Ministry of Corporate Affairs, Government of India
MSMEs	Micro, small and medium enterprises
N.A./ NA	Not Applicable
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Companies
NCLT	National Company Law Tribunal
Net Debt to Total Equity	Net debt divided by total equity. Net debt is calculated as total of non-current borrowings and current borrowings minus total of cash and cash equivalents and bank balances
NEFT	National electronic fund transfer
Net worth	The aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Term	Description
NPCI	National Payments Corporation of India
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRI	A person resident outside India, as defined under FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of 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 Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent Account Number allotted under the Income Tax Act
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SMS	Short message service
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations
"Systemically Important NBFCs" or "NBFC-SI"	Systemically important non-banking financial company registered with the RBI and as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Stock Exchanges	The BSE and the NSE
TAN	Tax deduction and collection account number
UNCTAD	UN Trade and Development
U.S. GAAP	Generally accepted accounting principles in the United State of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
"US$" or "USD" or "US Dollar"	United States Dollar, the official currency of the United States of America
"USA" or "U.S." or "US"	United States of America
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
"Year" or "Calendar Year"	Unless the context otherwise requires, shall mean the twelve-month period ending December 31

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain conventions

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references to the "U.S.", "U.S.A." or the "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, all references to time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

Financial data

Except, Phenix Construction Technologies Inc. USA, our Company's and Subsidiary' Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Phenix Construction Technologies Inc. USA's financial year commences from January 1 of that particular calendar year.

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Consolidated Financial Statements. The Restated Consolidated Financial Statements of our Company, together with its Subsidiaries, comprising the restated consolidated financial statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 and restated consolidated financial statement of profit and loss (including other comprehensive income), and restated consolidated financial statement of cash flows and restated consolidated statement of changes in equity for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the consolidated financial statement of significant accounting policies, and other explanatory information of our Company, derived from audited consolidated financial statements for the financial year ended March 31, 2024, audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

Unless otherwise stated or the context otherwise indicates, any percentage amounts, (excluding certain operational metrics), as set out in "*Offer Document Summary*", "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 29, 188 and 347. Restated Consolidated Financial Statements for the Fiscals ended March 31, 2022, March 31, 2023 and March 31, 2024 included in this Draft Red Herring Prospectus are derived from audited consolidated financial statements for the financial year ended March 31, 2024, audited special purpose consolidated financial statements for the financial years ended March 31, 2023 and March 31, 2022, prepared in accordance with Ind AS, the provisions of the Companies Act and other accounting principles generally accepted in India and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

Ind AS, Indian GAAP, IFRS and U.S. GAAP differ in certain significant respects from other accounting principles and standards with which investors may be more familiar. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of Indian GAAP, IFRS, U.S. GAAP or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, Indian GAAP, IFRS and U.S. GAAP, see "*Risk Factors - Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition*." on page 65. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. Financial information and other operating information included in this Draft Red Herring Prospectus is subject to rounding-off. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row; any such discrepancies are due to rounding off.

All figures in diagrams and charts, including those relating to financial information, operational metrics and key performance indicators, have been rounded to the nearest decimal place, whole number, thousand or million, as applicable.

Non-Generally Accepted Accounting Principles Financial Measures

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures presented in this Draft Red Herring Prospectus such as EBIT, EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Return on Capital Employed, Net Debt, Net Debt to EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio and Net Asset Value (per Equity Share) are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP measures, and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

Currency and units of presentation

All references to:

"₹" or "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India; and

"US$" or "USD" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakh or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar, as on the dates indicated, is set out below:

(in ₹)

Currency	Exchange Rate as on		
	March 31, 2024	March 31, 2023	March 31, 2022
1 US$	83.37	82.22	75.81

Source: www.fbil.org.in

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. Exchange rate is rounded off to two decimal places.

Industry and market data

Unless stated otherwise, industry related information and market data contained in this Draft Red Herring Prospectus, including in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition* *and Results of Operations*" on pages 29, 140, 188 and 347, respectively, have been obtained or derived from the report titled "*Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries*" dated September, 2024 that has been prepared by CRISIL MI&A ("**CRISIL Report**") which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company. CRISIL MI&A was appointed by our Company and does not have direct/ indirect interest or relationship with our Company, Promoters, Directors, KMPs or SMPs of our Company as well as BRLMs as confirmed pursuant to their consent letter dated September 23, 2024 except to the extent of issuing the CRISIL Report. For risks in relation to the CRISIL Report, see "*Risk Factors –Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*." on page 59. The CRISIL Report will be available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

The CRISIL Report is subject to the following disclaimer:

"CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL)has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. M&B Engineering Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but the accuracy, completeness and relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified or re-ordered by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*." on page 59.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 125 includes information relating to our peer group companies. Such information relating to our peer group has been derived from publicly available sources or the CRISIL Report, and neither we, nor the BRLMs or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "seek to", "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 and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

These forward-looking statements are based on our present plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, changes in competition in our industry, incidence of natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

1. Our business is dependent on and will continue to depend on our Manufacturing Facilities, and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations. Any slowdown or shutdown in our manufacturing operations or strikes or work stoppages could have an adverse effect on our business, cash flows, financial condition and results of operations.
2. We derive a majority portion of our revenues from the design, manufacture and installation of pre-engineered buildings. Loss or decline in the demand of pre-engineered buildings may result in an adverse effect on our business, revenue from operations and financial condition.
3. We are measured against high quality standards and stringent performance requirements by our customers. Any failure by us to comply with these standards or performance requirements may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees or warranty and indemnity or liability claims, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.
4. Some of our Directors and Promoters may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us. Further, our Subsidiaries are in the same line of business as us, which may result in a conflict of interest.
5. We derive a significant portion of our revenues from few customers and repeat orders which we identify as orders placed by customer groups that have placed orders with our Company previously. Any loss of, or a significant reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.

Certain information in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 140, 188 and 347, respectively, of this Draft Red Herring Prospectus have been obtained from the CRISIL Report prepared by CRISIL MI&A.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 188 and 347, 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 in the future could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, our Directors, our KMPs, SMPs, the Selling

Shareholders, the Syndicate or any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment pursuant to the Offer.

In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law, the Selling Shareholders will, ensure that investors in India are informed of material developments in relation to the statements and undertakings specifically made or confirmed by them in relation to themselves as a Selling Shareholders and their respective Offered Shares from the date of the Red Herring Prospectus until the date of Allotment pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by the Selling Shareholders about or in relation to themselves as a Selling Shareholders and their respective Offered Shares, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by the Selling Shareholders.

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Financial Information", "Outstanding Litigation and Material Developments", "Offer Procedure" "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Description of Equity Shares and Terms of the Articles of Association" on pages 29, 76, 87, 109, 140, 188, 266, 280, 382, 416, 347 and 436, respectively.

Summary of the primary business of our Company

We are one of the India's leading Pre-Engineered Buildings ("PEBs") and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square meters per annum for Self-Supported Roofing) as on August 31, 2024 (*Source: CRISIL Report*). We offer our customers comprehensive turn-key solutions which includes project design, engineering, manufacturing and erection in accordance with customer requirements across industrial and infrastructure segments. We have delivered solutions for our customers engaged in diverse sectors including general engineering and manufacturing, food and beverages, warehousing and logistics, power, textiles, and railways. We have undertaken execution of over 8,700 projects until the end of June 2024 under our Phenix and Proflex Divisions.

Summary of the industry in which our Company operates

Pre-engineered construction has emerged as an innovative building method due to rapid growth of automation in the construction industry. Furthermore, shortage of skilled labour, combined with the inherent advantages of these structures in terms of speed, cost-effectiveness, and environmental impact, is significantly propelling their popularity in the construction sector. Pre-engineered structures/units are more eco-friendly than traditionally constructed ones and provide common benefits such as reduced material wastage, enhanced quality control, and improved onsite safety. The controlled manufacturing process minimises material wastage, promoting sustainable building practices, while rigorous quality control ensures consistent and durable structures. The Indian PEB industry is expected to grow at a CAGR of 11.5-12.5% over Fiscal 2024 to Fiscal 2028. Further, the global PEB industry is expected to grow at a CAGR of 10.5-11.5% over Fiscal 2024 to Fiscal 2028. The self-supported roofing market in India is estimated to moderately grow 5-6% between fiscals 2024 and 2028 to reach INR 3.5-3.6 billion, on the back of continued investments in infrastructure and industrial segments as well as increasing awareness of the benefits of self-supported roofing.

Names of our Promoters

Our Promoters are Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Birva Chirag Patel, Vipinbhai Kantilal Patel, Aditya Vipinbhai Patel, Leenaben Vipinbhai Patel, Chirag H Patel Family Trust, Vipin K Patel Family Trust, MGM5 Family Trust, MGM11 Family Trust, Aditya V Patel Family Trust. For details, see "*Our Promoters and Promoter Group*" on page 266.

Offer size

The details of the Offer are summarised below:

Offer of Equity Shares(1)(3)	Up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share) aggregating up to ₹ 6,530.00 million
of which:	
(i) Fresh Issue(1)(3)	Up to [●] Equity Shares aggregating up to ₹ 3,250.00 million
(ii) Offer for Sale(2)	Up to [●] Equity Shares aggregating up to ₹ 3,280.00 million
The Offer comprises:	
Employee Reservation Portion(4)	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	[●] Equity Shares aggregating up to ₹ [●] million

(1) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on March 7, 2024 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated June 6, 2024. The Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed on April 2, 2024.*

(2) *The Selling Shareholders have confirmed that the Offered Shares have been held by them, severally and not jointly, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8A of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. In accordance with Regulation 8A of the SEBI ICDR Regulations; (i) the Selling Shareholder holding, individually or with persons acting in concert, more than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 50% of their respective pre-issue shareholding (on a fully-diluted basis). For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 76 and 395.*

(3) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under*

the applicable law, aggregating up to ₹650.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

(4) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion after allocation up to ₹ 0.50 million (net of Employee Discount) shall be added to the Net Issue. Our Company may, in consultation with the BRLMs, consider offering a discount of ₹ [●] per Equity Share to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see "Offer Structure" beginning on page 412.*

The Offer and the Net Offer shall constitute [●]% and [●]% of the post Offer paid up Equity Share capital of our Company, respectively. The above table summarises the details of the Offer. For further details of the offer, see "*The Offer*" and "*Offer Structure*" on pages 76 and 412, respectively.

Objects of the Offer

The objects for which the Net Proceeds from the Fresh Issue shall be utilised are as follows:

Particulars	**Estimated amount (*in ₹ million*)**
Funding the capital expenditure requirements for the purchase of equipment and machinery at our Manufacturing Facilities	639.00
Re-payment or pre-payment, in full or in part, of certain borrowings availed by our Company	600.00
Funding the working capital requirements of our Company	1,100.00
General corporate purposes(1)	[●]
Total	**[●]**

(1) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under applicable law, aggregating up to ₹650.00 million, at its discretion, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. For further details, see "Objects of the Offer" on page 109.*

Aggregate pre-Offer shareholding of our Promoters, members of the Promoter Group and Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	**Name of the Shareholder**	**Pre-Offer**		**Post-Offer**	
		Number of Equity Shares held	**Percentage of the pre-Offer Equity Share capital (%)**	**Number of Equity Shares held**	**Percentage of the post-Offer Equity Share capital (%)**
Promoters					
1.	Girishbhai Manibhai Patel (*also a Selling Shareholder*)	19,490,000	38.98	[●]	[●]
2.	Chirag Hasmukhbhai Patel (*also a Selling Shareholder*)	17,495,000	34.99	[●]	[●]
3.	Birva Chirag Patel (*also a Selling Shareholder*)	5,000,000	10.00	[●]	[●]
4.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel) (*also a Selling Shareholder*)	2,499,000	5.00	[●]	[●]
5.	Aditya Vipinbhai Patel (*also a Selling Shareholder*)	1,499,000	3.00	[●]	[●]

S. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares held	Percentage of the pre-Offer Equity Share capital (%)	Number of Equity Shares held	Percentage of the post-Offer Equity Share capital (%)
2.	Malav Girishbhai Patel	1,000,000	2.00	[●]	[●]
7.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel) (*also a Selling Shareholder*)	1,000,000	2.00	[●]	[●]
8.	Chirag H Patel Family Trust	5,000*	0.01	[●]	[●]
9.	MGM11 Family Trust	5,000**	0.01	[●]	[●]
10.	MGM5 Family Trust	5,000***	0.01	[●]	[●]
11.	Vipin K Patel Family Trust	1,000****	Negligible	[●]	[●]
12.	Aditya V Patel Family Trust	1,000*****	Negligible	[●]	[●]
Promoter Group					
1.	Umaben Girishbhai Patel (*also a Selling Shareholder*)	2,000,000	4.00	[●]	[●]
Total		**50,000,000**	**100.00**	[●]	[●]

* *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*
** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
*** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
**** *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*
***** *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*

Summary of Selected Financial Information

Summary of selected financial information derived from our Restated Consolidated Financial Statements is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the Fiscal		
	March 31, 2024	March 31, 2023	March 31, 2022
(A) Equity Share capital	500.00	200.00	200.00
(B) Net worth[(1)]	2,330.32	1,805.12	1,450.95
(C) Revenue from operations	7,950.60	8,804.70	6,882.25
(D) Profit/ (loss) after tax	456.34	328.92	163.13
(E) Basic earnings per equity share (EPS) (in ₹/share)[(2)]	9.17	6.82	4.01
(F) Diluted earnings per equity share (in ₹/share)[(3)]	9.17	6.82	4.01
(G) Net Asset Value per share (in ₹/share)[(4)]	46.61	36.10	29.02
(H) Total borrowings (as per balance sheet)[(5)]	2,048.42	1,487.48	995.83

Notes:

(1) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

(2) *Basic EPS (₹) = Basic earnings per share are calculated by dividing the restated profit for the year by the weighted average number of Equity Shares outstanding during the year.*

(3) *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the restated profit for the year by the weighted average number of Equity Shares outstanding during the year.*

(4) *Net asset value per equity share is calculated as total equity (excluding non-controlling interest) divided by number of equity shares outstanding at the end of the year*

(5) Total borrowings consists of current and non-current borrowings.

For further details, see "*Restated Consolidated Financial Statements*" on page 280.

Qualifications which have not been given effect to in the Restated Consolidated Financial Statements

There are no auditor qualifications that have not been given effect to in the Restated Consolidated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors, Group Companies and Promoters, in accordance with the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is disclosed below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five Fiscals	Material Civil Proceedings	Aggregate amount involved (*in ₹ million*)*
Company						
Against our Company	Nil	30	Nil	N.A.	Nil	902.92
By our Company	Nil	N.A.	N.A.	N.A.	3	90.25
Directors (Non-Promoter Directors)						
Against our Directors	Nil	13	Nil	N.A.	Nil	34.32
By our Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Promoters (including the Promoter Directors)						
Against our Promoters	Nil	1	Nil	Nil	Nil	6.24
By our Promoters	Nil	N.A.	N.A.	N.A.	Nil	Nil
Subsidiaries						
Against our Subsidiaries	Nil	3	Nil	N.A.	1	56.81
By our Subsidiaries	1	N.A.	N.A.	N.A.	3	67.14
Group Companies						
Outstanding litigation that has a material impact on our Company	Nil	Nil	N.A.	N.A.	Nil	Nil

* *To the extent quantifiable*

For further details, see "*Outstanding Litigation and Material Developments*" on page 382.

Risk Factors

Investors should please see the section entitled "*Risk Factors"* beginning on page 29 to have an informed view before making an investment decision.

Summary of contingent liabilities and Capital Commitments

The details of our contingent liabilities (as per Ind AS 37) as on March 31, 2024, derived from the Restated Consolidated Financial Statements are as set out below:

(*in ₹ million*)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Contingent liability:			
Outstanding Bank Guarantees*	1,123.82	820.17	452.65
Total Contingent Liabilities	**1,123.82**	**820.17**	**452.65**
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	61.20	46.48	7.73
Total capital commitments	**61.20**	**46.48**	**7.73**

**Bank Guarantees consists on Advance Bank Guarantees (ABG) and Performance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when pro rata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against* *satisfactory performance and normally has a validity for a year.*

For details, see "*Restated Consolidated Financial Statements – Note 31*" on page 336.

Summary of related party transactions

A summary of the related party transactions for the Fiscals ended March 31, 2024, 2023 and 2022 as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Consolidated Financial Statements is set out below:

Name of related party	Year ended 31 March 2024		Year ended 31 March 2023		Year ended 31 March 2022	
	Amount (in ₹ million)	% of Revenue from operations	Amount (in ₹ million)	% of Revenue from operations	Amount (in ₹ million)	% of Revenue from operations
1) Subsidiary Company						
(i) With Holding Company:						
(a) Phenix Construction Technologies INC						
Sale of goods	87.45	1.10%	227.28	2.58%	105.99	1.54%
Interest Received	4.58	0.06%	3.38	0.04%		
Loan Given	36.10	0.45%	5.59	0.06%	25.52	0.37%
(b) Phenix Building Solutions Private Limited						
Sale of goods	234.75	2.95%	-		-	
Sale of service	15.15	0.19%	-		-	
(c) Modtech Machines Private Limited						
Sale of goods	1.00	0.01%	1.40	0.02%	1.42	0.02%
Loan Given	2.00	0.03%	52.58	0.60%	33.45	0.49%
Loan refunded back	78.55	0.99%	9.48	0.11%	-	
2) Significant Influence						
a) M B Enterprise						
Purchase of goods	135.95	1.71%	962.85	10.94%	115.52	1.68%
Expenses Recovered	0.14	0.00%	0.11	0.00%	0.22	0.00%
Expenses Paid	4.79	0.06%	13.10	0.15%	-	-
b) Manibhai & Brother sleeper						
Expenses Paid	-	-	-	-	0.01	0.00%
Expenses Recovered	0.14	0.00%	0.12	0.00%	0.08	0.00%
Sale of goods	1.73	0.02%	1.65	0.02%	0.27	0.00%
Purchase of goods	-		0.09	0.00%	0.09	0.00%
c) Manibhai Brothers Finance Corporation						
Interest on Loan Paid	77.69	0.98%	63.20	0.72%	53.35	0.78%
Rent Paid	1.44	0.02%	1.44	0.02%	1.44	0.02%
Unsecured Loan Taken	1,228.50	15.45%	981.90	11.15%	1,006.50	14.62%
Unsecured Loan Repaid	2,008.98	25.27%	824.40	9.36%	1,107.53	16.09%
d) Manibhai & Brothers						
Expenses Paid	15.28	0.19%	-	-	-	-
Expenses Recovered	0.72	0.01%	0.72	0.01%	0.66	0.01%
Sale of goods	0.27	0.00%	0.95	0.01%	1.51	0.02%
Rent Paid	2.40	0.03%	2.40	0.03%	2.40	0.03%
Purchase of goods	-	-	15.49	0.18%	17.70	0.26%
e)Manibhai & Brothers (PCC Sarkhej)						
Sale of goods	19.36	0.24%	-	-	-	-
Rent Paid	1.26	0.02%	1.20	0.01%	-	-%
Expenses Recovered	-	-	-	-	0.01	0.00%
f)Usha Prestressed Sleeper Udhyog Piplod						
Expenses Recovered	0.04	0.00%	0.07	0.00%	0.02	0.00%
Sale of goods	0.41	0.01%	0.24	0.00%	-	-
g) Giriraj Prestressed Private Limited						
Expenses Recovered	0.03	0.00%	0.03	0.00%	-	-
Sale of goods	3.56	0.04%	-	-	-	-
h) Phenix Building Solutions Private Limited						
Sale of goods	1,621.09	20.39%	2,873.11	32.63%	2,445.74	35.54%
Expenses Recovered	-	-	0.04	0.00%	1.65	0.02%
i) Shrinathji Prestressed Private Limited						
Expenses Recovered	0.01	0.00%	-	-	-	-
Sale of goods	0.10	0.00%	-	-	-	-
j) Manibhai & Brothers Charitable Trust						

Name of related party	Year ended 31 March 2024		Year ended 31 March 2023		Year ended 31 March 2022	
	Amount (in ₹ million)	% of Revenue from operations	Amount (in ₹ million)	% of Revenue from operations	Amount (in ₹ million)	% of Revenue from operations
Rent Paid	0.66	0.01%	-	-	-	-
Donation Exps	-	-	3.60	0.04%	2.90	0.04%
3) With Key management personnel and their relatives:						
Unsecured Loan Taken						
Malav Girishbhai Patel	10.17	0.13%	9.41	0.11%	9.03	0.13%
Girishbhai Manibhai Patel	0.03	0.00%	3.43	0.04%	3.66	0.05%
Chirag Hasmukhbhai Patel	-	-	0.35	0.00%	0.05	0.00%
Hasmukhbhai Shivabhai Patel	-	-	-	-	31.57	0.46%
Unsecured Loan Repaid						
Malav Girishbhai Patel	112.75	1.42%	0.94	0.01%	0.90	0.01%
Girishbhai Manibhai Patel	45.54	0.57%	0.38	0.00%	0.46	0.01%
Chirag Hasmukhbhai Patel	-	-	0.35	0.00%	1.01	0.01%
Hasmukhbhai Shivabhai Patel	34.70	0.44%	0.32	0.00%	0.30	0.00%
Interest on Loan Paid						
Malav Girishbhai Patel	10.17	0.13%	9.41	0.11%	9.03	0.13%
Girishbhai Manibhai Patel	4.09	0.05%	3.81	0.04%	3.66	0.05%
Chirag Hasmukhbhai Patel	-	-	-	-	0.05	0.00%
Hasmukhbhai Shivabhai Patel	0.28	0.00%	3.16	0.04%	3.03	0.04%
Salary paid						
Malav Girishbhai Patel	17.34	0.22%	16.72	0.19%	12.10	0.18%
Girishbhai Manibhai Patel	16.95	0.21%	11.43	0.13%	11.43	0.17%
Vipinbhai Kantilal Patel	1.07	0.01%	2.13	0.02%	2.13	0.03%
Chirag Hasmukhbhai Patel	26.27	0.33%	23.98	0.27%	20.98	0.30%
Umaben Girishbhai Patel	1.50	0.02%	3.00	0.03%	3.00	0.04%
Birva Chirag Patel	9.53	0.12%	7.62	0.09%	7.62	0.11%
Aditya Vipinbhai Patel	6.96	0.09%	5.51	0.06%	4.24	0.06%
Diya Chirag Patel	0.22	0.00%	-	-	-	-
Purchase of Shares of Phenix Building Solutions Private Limited						
Malav Girishbhai Patel (No. of Shares : 7000)	18.58	0.23%				-
Girishbhai Manibhai Patel (No. of Shares : 13500)	35.83	0.45%				-
Vipinbhai Kantilal Patel (No. of Shares : 2500)	6.64	0.08%				-
Chirag Hasmukhbhai Patel (No. of Shares : 17500)	46.45	0.58%				-
Umaben Girishbhai Patel (No. of Shares : 2000)	5.31	0.07%				-
Birva Chirag Patel (No. of Shares : 5000)	13.27	0.17%				-
Aditya Vipinbhai Patel (No. of Shares : 1500)	3.98	0.05%				-
Leenaben Vipinbhai Patel (No. of Shares : 1000)	2.65	0.03%				-
Sale of Shares of Phenix Building Services Private Limited						
Malav Girishbhai Patel (No. of Shares : 7000)	0.07	0.00%	-	-	-	-
Girishbhai Manibhai Patel (No. of Shares : 13500)	0.14	0.00%	-	-	-	-
Vipinbhai Kantilal Patel (No. of Shares : 2500)	0.03	0.00%	-	-	-	-
Chirag Hasmukhbhai Patel (No. of Shares : 17500)	0.18	0.00%	-	-	-	-
Umaben Girishbhai Patel (No. of Shares : 2000)	0.02	0.00%	-	-	-	-
Birva Chirag Patel (No. of Shares : 5000)	0.05	0.00%	-	-	-	-
Aditya Vipinbhai Patel (No. of Shares : 1500)	0.02	0.00%	-	-	-	-
Leenaben Vipinbhai Patel (No. of Shares : 1000)	0.01	0.00%	-	-	-	-

For further details of the related party transactions, see "*Restated Consolidated Financial Statements – Note 28*" on page 322.

Details of all financing arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors or their relatives have financed the purchase by any person of securities of our Company (other than in the normal course of business of the relevant financing entity) during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus are:

Name	Number of Equity Shares acquired in the one year preceding the date of the DRHP	Weighted average price of acquisition per Equity Share (in ₹)*
Promoters		
Girishbhai Manibhai Patel (*also a Promoter Selling Shareholder*)	14,100,000#	Nil
Chirag Hasmukhbhai Patel (*also a Promoter Selling Shareholder*)	10,500,000#	Nil
Malav Girishbhai Patel	4,200,000#	Nil
Birva Chirag Patel (*also a Promoter Selling Shareholder*)	3,000,000#	Nil
Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel) (*also a Promoter Selling Shareholder*)	1,500,000#	Nil
Aditya Vipinbhai Patel (*also a Promoter Selling Shareholder*)	900,000#	Nil
Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel) (*also a Promoter Selling Shareholder*)	600,000#	Nil
Chirag H Patel Family Trust	5,000**	Nil
Vipin K Patel Family Trust	1,000***	Nil
MGM5 Family Trust	5,000****	Nil
MGM11 Family Trust	5,000*****	Nil
Aditya V Patel Family Trust	1,000******	Nil
Other Selling Shareholders		
Umaben Girishbhai Patel (*also a Promoter Group Selling Shareholder*)	1,200,000#	Nil

* *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 25, 2024.*
** *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*
*** *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*
**** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
***** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
****** *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*
\# *The equity shares were acquired pursuant to the bonus issue dated October 9, 2023.*

Average cost of acquisition of shares for our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares for our Promoters and Selling Shareholders is as set out below:

Name of acquirer	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Promoters		
Girishbhai Manibhai Patel (*also a Promoter Selling Shareholder*)	19,490,000	0.42
Chirag Hasmukhbhai Patel (*also a Promoter Selling Shareholder*)	17,495,000	0.94
Malav Girishbhai Patel	1,000,000	Nil
Birva Chirag Patel (*also a Promoter Selling Shareholder*)	5,000,000	2.00
Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel) (*also a Promoter Selling Shareholder*)	2,499,000	2.02
Aditya Vipinbhai Patel (*also a Promoter Selling Shareholder*)	1,499,000	2.02
Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel) (*also a Promoter Selling Shareholder*)	1,000,000	2.02
Chirag H Patel Family Trust	5,000**	Nil
Vipin K Patel Family Trust	1,000***	Nil
MGM5 Family Trust	5,000****	Nil
MGM11 Family Trust	5,000*****	Nil
Aditya V Patel Family Trust	1,000******	Nil
Other Selling Shareholders		

Name of acquirer	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Umaben Girishbhai Patel (*also a Promoter Group Selling Shareholder*)	2,000,000	2.02

* *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 25, 2024.*
** *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*
*** *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*
**** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
***** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
****** *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*

The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Draft Red Herring Prospectus

The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Upper end of the price band (₹[●]) is 'X' times the weighted average cost of acquisition#	Range of acquisition price: Lowest price – Highest price (in ₹)*
Last eighteen months preceding the date of this Draft Red Herring Prospectus	Nil	[●]	Nil
Last one year preceding the date of this Draft Red Herring Prospectus	Nil	[●]	Nil
Last three years preceding the date of this Draft Red Herring Prospectus	Nil	[●]	Nil

* *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 25, 2024.*
\# *Information to be included in the Prospectus.*

Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoters, the Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of our Promoter Group and Selling Shareholders. There are no Shareholders with nominee director or other special rights. The details of the price at which these acquisitions were undertaken are stated below:

Name of the acquirer	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share (in ₹)*
Promoters			
Girishbhai Manibhai Patel (*also a Promoter Selling Shareholder*)	October 9, 2023#	8,100,000	Nil
	May 21, 2024##	6,000,000	Nil
Chirag Hasmukhbhai Patel (*also a Promoter Selling Shareholder*)	March 1, 2023	2,800,000	Nil
	October 9, 2023#	10,500,000	Nil
Malav Girishbhai Patel	October 9, 2023#	4,200,000	Nil
Birva Chirag Patel (*also a Promoter Selling Shareholder*)	October 9, 2023#	3,000,000	Nil
Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel) (*also a Promoter Selling Shareholder*)	October 9, 2023#	1,500,000	Nil
Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel) (*also a Promoter Selling Shareholder*)	October 9, 2023#	600,000	Nil
Aditya Vipinbhai Patel (*also a Promoter Selling Shareholder*)	October 9, 2023#	900,000	Nil
Chirag H Patel Family Trust	July 9, 2024	5,000**	Nil
Vipin K Patel Family Trust	June 25, 2024	1,000***	Nil

Name of the acquirer	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share (in ₹)*
MGM5 Family Trust	June 28, 2024	5,000****	Nil
MGM11 Family Trust	June 28, 2024	5,000*****	Nil
Aditya V Patel Family Trust	June 25, 2024	1,000******	Nil
Promoter Group			
Umaben Girishbhai Patel (*also a Promoter Group Selling Shareholder*)	October 9, 2023#	1,200,000	Nil

* *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 25, 2024.*
** *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*
*** *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*
**** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
***** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
****** *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*
# *Bonus Issue*
By way of gift

Pre-IPO Placement

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 650.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Issuance of equity shares in the last one year for consideration other than cash or bonus issue

Except for the bonus allotment made on October 9, 2023, our Company has not issued any Equity Shares in the last one year from the date of this Draft Red Herring Prospectus, for consideration other than cash or bonus issue. For further details, see "*Capital Structure – Issue of shares issued for consideration other than cash or by way of bonus issue*" on page 93.

Split/ consolidation of Equity Shares in the last one year

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

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

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI, as on the date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we operate or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial, may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company and our business, you should read this section in conjunction with "Our Business", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 188, 140, 280 and 347, respectively, as well as the other financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of the terms of the Offer, the Company and its business including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, included herein is based on or derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" beginning on page 280. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Statements is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 65.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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. See "Forward-Looking Statements" on page 18.

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company", "we", "us", "our" are to M&B Engineering Limited and our Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries" dated September, 2024 (the "**CRISIL Report**", and the date of the CRISIL Report, the "**Report Date**") which is exclusively prepared for the purpose of the Offer and issued by CRISIL MI&A ("**CRISIL**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CRISIL was appointed pursuant to an engagement letter entered into with our Company dated April 3, 2024. CRISIL is not related in any other manner to our Company. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CRISIL Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CRISIL Report will be available on the website of our Company at* www.mbel.in *from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CRISIL Report. The views expressed in the CRISIL Report are that of CRISIL. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 15.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. You should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Internal Risks

1. Our business is dependent on and will continue to depend on our Manufacturing Facilities, and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations. Any slowdown or shutdown in our manufacturing operations or strikes or work stoppages could have an adverse effect on our business, cash flows, financial condition and results of operations.

We have two strategically located Manufacturing Facilities at Sanand, Ahmedabad ("**Sanand Facility**") and Cheyyar, Tamil Nadu ("**Cheyyar Facility**"). Any disruptions, breakdown or shutdown of our Manufacturing Facilities, due to, *inter alia,* (i) breakdown or failure of equipment, (ii) disruption in power supply or processes, (iii) performance below expected levels of efficiency, (iv) obsolescence, (v) labour disputes, (vi) infectious diseases (such as the COVID-19 pandemic), and (vii) political instability, could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, results of operations, financial condition, cash flows and future prospects. Our Sanand Facility has an installed capacity of 72,000 MTPA, 72,000 MTPA and 72,000 MTPA in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively and our capacity utilization was 58.12%, 60.39% and 53.55% for the same period. Our Cheyyar facility has an installed capacity of 31,800 MTPA as of August 31, 2024.

Our business is dependent upon our ability to manage our Manufacturing Facilities, which are subject to various operating risks. Any significant malfunction or breakdown of our machinery, our equipment, our IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to maintain, repair our machinery, equipment, IT systems or any other part of our manufacturing processes or systems in a timely manner or at all, our operations may need to be suspended until we procure the appropriate machinery, equipment or systems to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. In Fiscal 2024, 2023 and 2022, we have spent ₹22.82 million, ₹23.20 million and ₹19.21 million, respectively, towards general repair and maintenance of our machinery. We cannot assure you that such general repair and maintenance costs for our machinery will not increase in the future which could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

Our business operations involve the usage of heavy machinery such as CNC machines, cranes and boom lifts which are operated by our employees. These activities can be extremely dangerous and any accident, including any mechanical and operational failures could cause serious injury to people or property and in certain circumstances, even death. In the past, there have been three instances of death in the course of our operations at, our project site. We cannot assure you that such incidents may not occur in the future. Any disruption in the operation of our existing production facilities due to any of the foregoing risks could adversely affect our business, financial condition, results of operation and prospects. In addition, many of these operating and other risks may result in suspension of our operations and the imposition of civil or criminal penalties. Any accident caused due to mechanical or operational failure may cause our workforce to discontinue working at our Manufacturing Facilities due to concerns of safety, which may have an adverse impact on operations.

Business activities in our self-supported steel roofing business are carried out through our fleet of 14 mobile manufacturing units which allows us to address our customers in a wide geographic expanse. Due to its mobile nature, these mobile manufacturing units are subject to various external factors such as road accidents and natural calamities which may impact their operations and increase maintenance costs, and have also resulted in two instances of death at our project site. We cannot assure you that such incidents may not occur in the future, which may have an adverse effect on our business, results of operations or financial condition.

Our inability to effectively respond to any slowdown or shutdown and to rectify any disruption, in a timely manner and at an acceptable cost, could also lead to an inability to comply with our customers' requirements and would result in us breaching our contractual obligations which would have a material adverse effect on our financial condition and results of operations.

2. We derive a majority portion of our revenues from the design, manufacture and installation of pre-engineered buildings. Loss or decline in the demand of pre-engineered buildings may result in an adverse effect on our business, revenue from operations and financial condition.

We: (i) provide comprehensive solutions for PEBs which includes estimation, designing, engineering and manufacturing of PEBs and their components within the controlled environment of our Manufacturing Facilities, which are then supplied, installed and erected under supervision through on-site project management; and (ii) manufacture of complex steel components for our customers across a variety of end-user industries for projects. Set out below is a breakdown of revenue from operations from our Phenix Division and Proflex Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Divisions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)
Phenix Division	5,802.28	72.98%	6,287.92	71.42%	4,905.35	71.28%
Proflex Division	2,145.00	26.98%	2,424.35	27.53%	1,872.36	27.20%
Others*	3.32	0.04%	92.43	1.05%	104.54	1.52%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

* *Others includes revenue contribution from Modtech Machines Private Limited*

Our design, manufacture and installation of pre-engineered buildings have been largely driven by our track record of meeting customer specifications, quality standards and our long term relationship with our customers. We cannot assure you that the demand for our pre-engineered buildings will be sustained at the same levels in the future. As a result of any adverse changes in demand by our customers and/or any unfavourable change in government policies which may affect such demand, the revenues derived from our manufacture of PEBs could be lower than our expectations. This could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our PEB business is dependent on the capital expenditure plans of our customers. Any factors impacting the business of our customers may result in the cancellation, downsizing or deferring the capital expenditure plans of our customers, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects. We may also be required to invest in updated technology and processes to develop upgraded engineering services having the desired specification, qualities and characteristics, and continually monitor and adapt to evolving demand in the pre-engineered buildings industry.

Our business, growth prospects and financial performance largely depends on our ability to obtain new orders for pre-engineered buildings, and there can be no assurance that we will be able to procure new orders. Our future results of operations and cash flows may fluctuate from period to period depending on the receipt of such orders. In the event we are unable to obtain new orders, our business will be materially and adversely affected. Factors affecting the pre-engineered buildings industry or our customers could have a cascading effect on our business, financial condition and results of operations.

Any loss or significant reduction in our revenue from our PEBs Business for any reason (including due to loss of, or termination of existing agreements, limitation to meet any change in quality specification, customization requirements, or change in construction technology, disputes with a customer, adverse changes in the financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship) could have a material adverse effect on our business, results of operations, financial condition and cash flows.

3. We are measured against high quality standards and stringent performance requirements by our customers. Any failure by us to comply with these standards or performance requirements may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees or warranty and indemnity or liability claims, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

We are an engineering company specializing in innovative design, manufacturing and installation of pre-engineered metal buildings, self-supported steel roofings and complex steel components which are designed and manufactured in accordance with the requirements and specifications of our customers. Given the nature of application of our products and engineering processes, our products and engineering processes are measured against, high quality standards and stringent specifications of our customers. These specifications are provided by our customers through technical and quality standard specifications which form part of the request for quotations or tender documents circulated by our customers or as part of the contracts or purchase orders which we enter into with our customers. Our customers provide a varying range of specifications which include, *inter alia*, specifications in connection with the design and production, testing and inspection, safety, quality of raw material, packaging, shipment and delivery, adherence and compliance with environmental, health and safety laws and usage of skilled manpower. We cannot assure you that we will be able to meet such technical specifications and quality standards imposed by our customers, at all times. The failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products to our customers until compliance with such requirements or standards is achieved. Certain customer contracts specify that we will be subject to penalties if we provide defective products/services. These quality specifications and contractual requirements include, among others, setting up robust process controls, conforming to product specifications and adhering to quality specifications as required by our customers.

Our agreements with customers typically require us to provide, without any additional charge, assistance and facilities required for inspection and tests of our engineering services, which may be undertaken either by our customers or by any external third party.

Our contracts typically require us to indemnify our customers from any liabilities and expenses incurred due to defects and damages in connection with performance of engineering service and supplies. Customers can enforce such indemnities against us, unless such defect, damage, or delay is caused due to the customer's wilful misconduct, fraud, gross negligence or wilful misrepresentation. Under our agreements with our customers, we are liable to pay liquidated damages for any delay in the supply of products. These liquidated damages typically range from 0.15% to 0.5% of the total contract or purchase order value, per week of delay, and are typically capped at 5% of the total contract or purchase order value. While there have been no instances of liquidated damages paid by the Company to its customers in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that we may be required to pay liquidated damages in the future.

Our contracts also require us to provide warranty against the products and engineering services which we have provided, which requires us to repair or replace the goods or services furnished, which fail to comply with the specifications prescribed by our customers, during the warranty/ defect liability period. The warranty/ defect liability period typically lasts for 12 to 24 months from commissioning/ operational start-up of the relevant project or for a period of 12 to 24 months from the date of delivery of the goods or completion of project. Further, in the event we replace or repair any goods, we are required to provide an additional warranty on such repaired or replaced goods, which is typically provided for a period of 6 to 12 months or the pendency of the defect liability period/warranty period, whichever is longer. While our Company has not incurred any amount towards settlement of warranty claims in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that we may be required to incur amounts towards settlement of warranty claims in the future.

Depending on the terms under which we supply products or services, if we supply products or services that do not comply with the specifications provided by our customers, our customers may hold us responsible for (i) some or all of the repair, correction or replacement costs of defective products or services; (ii) cost of re-testing the repair products; (iii) cost of removal of the defective products, if requested by the customer; and (iv) all losses incurred due to injury, illness or death to third party or violation of laws due to defective products or services, and the costs of claims, suits and actions in relation to such losses. Such instances could adversely affect our reputation and business and, to the extent not covered by insurance, our results of operations, financial condition and cash flows. While our Company has not incurred any amount on rectifying defects in the engineering products and services provided in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that we may be required to incur such amounts in the future.

Accordingly, our customers typically require us to undertake or provide performance bank guarantees for such quality and delivery related obligations which can be enforced against us in case of defective or damaged products or delay in delivery of the products or services supplied by us. The performance bank guarantees which we are required to furnish to our customers typically range from 2.5% to 5% of the total contract value of the order. These performance bank guarantees furnished by us to our customers are time bound and the expiry period of such guarantees are subject to the commercial terms entered into with each customer. For certain customers, the performance bank guarantee is released upon satisfactory completion of the work, for other customers the period of the performance bank guarantee typically extends until the period of warranty/defect liability period or for a period of 12-24 months from the date of completion or from the date of commissioning/ operational start-up of the relevant project or from the date the completion of defects liability period. While there has been no instance in Fiscal 2024, Fiscal 2023 and Fiscal 2022, when a performance bank guarantee was invoked by a customer, we cannot assure you that our products would meet the required performance standards and our Customers would not invoke such performance bank guarantee in the future.

We cannot assure you that in future we will not default on any of the existing terms, delivery timelines, specifications or quality standards prescribed by our customers, which may result in the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees or warranty, indemnity and liability claims. Further, such delays in the execution of orders results in the cost overruns and affects our payment milestones subsequently impacting our revenue.

There can be no assurance that our Company will meet the relevant quality requirements in respect of the products manufactured by us in the future. If any such event were to occur in future, it may have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

4. Some of our Directors and Promoters may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us. Further, our Subsidiaries are in the same line of business as us, which may result in a conflict of interest.

As of the date of this Draft Red Herring Prospectus, some of our Directors and Promoters are interested in certain firms or ventures that are engaged in the same business as ours. In specific, (i) Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girshbhai Patel, Chirag Hasmukhbhai Patel and Aditya Vipinbhai Patel are shareholders and directors in Phenix Engineering Services Private Limited and Phenix Building Solutions Private Limited, respectively; and (ii) Leenaben Vipinbhai Patel, Birva Chirag Patel, are shareholders in Phenix Engineering Services Private Limited.

Further our Subsidiaries, PBSPL and PCTI which are engaged in the same line of business as that of our Company. Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise.

We cannot assure you that our Directors and our Promoters will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. In such event, our business, financial condition and results of operations may be adversely affected.

5. We derive a significant portion of our revenues from few customers and repeat orders which we identify as orders placed by customer groups that have placed orders with our Company previously. Any loss of, or a significant reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.

We derive a significant portion of our revenue from operations from few customers and repeat orders from customers groups which we identify as orders placed by customer groups that have placed orders with our Company previously. Our revenues from repeat orders from customers for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as set out below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenues from repeat customers*	5,824.51	5,776.98	3,947.81
Revenues from repeat customers as % of our consolidated revenues from operations	73.26%	65.61%	57.36%

* *Revenues from repeat customers is revenues from customers where our Company would have recognized revenues from such customer in more than one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.*

We have historically been dependent, and expect to depend, on such customers groups and on repeat orders, for a substantial portion of our revenue and the loss of any them for any reason (including due to loss of, or termination of existing arrangements, limitation to meet any change in quality specification, customization requirements, or change in construction technology; disputes with a customer; adverse changes in the financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship or change in business practices of our customers) could have a material adverse effect on our business, results of operations, financial condition and cash flows. The loss of any customer group for any of the aforementioned reason will result in a loss of revenue from each customer from such customer group.

The table set forth below provides the revenue contribution and revenue contribution as a percentage of our revenue from operations of our largest customer group, our top 5 customer groups and our top 10 customer groups, for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)
Largest customer group	1,014.07	12.75%	1,614.65	18.34%	604.31	8.78%
Top 5 customer groups	2,857.43	35.94%	3,063.57	34.79%	1,805.80	26.24%
Top 10 customer groups	3,681.09	46.30%	4,121.49	46.81%	2,670.34	38.80%

We expect that we will continue to be reliant on certain customer groups for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations. Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

Many of the purchase orders we receive from our customers specify the requirements of the customers and a delivery schedule. However, such orders may be amended or cancelled prior to completion. Any cancellation or termination by our customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins. For instance, we entered into contracts in Fiscal 2023 for the construction of two factory buildings for an aggregate purchase order value of ₹1,820.68 million (exclusive of GST). We had commenced work on the project. However, the project was abandoned, and the contract was terminated. The customer has paid us for actual cost incurred on the project and compensated us for the loss of profit. Should such a cancellation take place, it may adversely impact our production schedules and inventories, and therefore adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss.

6. Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices, availability and quality of raw materials could adversely affect our reputation, business, results from operations, financial conditions and cash flows. We rely on limited suppliers for our primary raw material steel, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.

We undertake procurement of raw materials from both domestic and international sources based on factors including but not limited to market availability, pricing and quality. The primary raw material which we utilize at our Manufacturing Facilities is steel which consists of steel in various descriptions and thickness, including hot rolled plates, hot rolled coils, galvanized iron coils, hot rolled sections, pre-painted galvalume coils. Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. When downturns occur in these economies or sectors, which may lead to a decrease in steel and steel product prices, and consequently we may experience decreased demand for our products. This may, in turn, have a material adverse effect on our business, results of operations, financial condition and prospects. The table below sets out our cost of raw materials consumed in Fiscal 2024, Fiscal 2023 and Fiscal 2022 and such expenses as a percentage of our total expenses for the same periods:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)
Cost of raw materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work in progress	5,107.84	68.34%	6,052.31	71.75%	4,478.24	66.25%

We are exposed to the price risks associated with purchasing our raw materials consumed, which forms the highest component of our expenses. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost. Further, any increase in the price of raw materials consumption, which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business and financial position. While our Company maintains a higher inventory of steel than required, our business and financial position may be impacted by any change in the price of steel.

We have not entered into long-term contracts with our raw material suppliers and all our procurements and supplies are by way of purchase orders/sales orders which govern the commercial terms, including but not limited to the minimum product standards, quantity and price Our suppliers have access to our competitors who may offer better commercial terms than we may provide. In the absence of long-term contracts establishing formal exclusive relationships between us and such parties, we cannot assure that such business relationships shall last for long or at all and we may lose a significant portion of our revenues to our competitors. A change in preference of our raw material suppliers can result in discontinuation of our engagement with them and such a move could materially and adversely impact our business. Although, we have a strong emphasis on quality, timely delivery of raw materials and personal interaction by the senior management with our suppliers, any change in the buying pattern of buyers and preferences of suppliers can adversely affect the business and the profitability of our Company.

The table below sets outs the raw materials which we have obtained from our top three suppliers, top five suppliers and top 10 suppliers together with such supply as a percentage of our total cost of raw materials consumed in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials procured (in ₹ millions)	As a % of total cost of materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work in progress	Raw materials procured (in ₹ millions)	As a % of total cost of materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work in progress	Raw materials procured (in ₹ millions)	As a % of total cost of materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work in progress
Top 3 suppliers	2,682.13	52.51%	2,808.64	46.41%	2,629.79	58.72%
Top 5 suppliers	3,262.51	63.87%	3,965.38	65.52%	3,128.32	69.86%
Top 10 suppliers	4,218.74	82.59%	4,617.68	76.30%	3,788.44	84.60%

* *While more than 50% of our raw materials sourced originates from our top 10 suppliers, our Company is unable to disclose the names of these suppliers due to reasons of confidentiality.*

If our Top 3 suppliers, Top 5 suppliers and Top 10 suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

While currently, it is not practically possible for us to determine any conflict of interest between the suppliers of raw materials which are crucial to the operations of the Company and the Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiaries and Group Companies and its directors, if such conflict of interest arises in the future, it may have an adverse effect on our business and results of operations.

7. Our business is substantially dependent on our design and engineering teams to accurately carryout the pre-approval engineering studies for potential orders. Inability of our design and engineering teams to accurately estimate the cost of the project and to execute an order would have an adverse impact on our business, results of operations, financial condition and cash flows.

Our manufacturing processes are supported by our in-house design and engineering offices at Hyderabad, Chennai and Ahmedabad which enable us to offer comprehensive solutions in the pre-engineered steel construction solutions space and in the self-supported steel roofing space, as well as to continually undertake incremental enhancements and improvements of our processes and designs. As of August 31, 2024, our in-house design and engineering teams consists of 95 employees.

We design, manufacture and install pre-engineered buildings as per the customized requirements of our customers. Inability of our design and engineering teams to accurately estimate the cost of the project and to execute an order, would have an adverse impact on our business, results of operations, financial condition and cash flows. While our design process and design team allows us to develop new and differentiated products and respond to evolving industry trends and sectors and our customers' preferences, delays in introducing new products or services which will be suitable for any new industry sectors or failure to offer products at competitive prices may cause existing and potential customers to purchase our competitors' products. We have licensed certain software in computer aided design technology and manufacturing, which are used by our design and engineering team to effectively achieve the design and detailing parameters based on our customers' requirements. We also incur costs in procurement of software and regular renewal of licenses in connection with such software. In the event, such software does not provide the desired output or such software fails, we may incur business losses. Further, if we increase the number of employees and do not correspondingly obtain appropriate software licensing, it may have an impact on our productivity. There is no assurance that our competitors will not be able of increase the designing efficiency of their products by using latest technology and offer attractive prices to the customers, without affecting their margins.

8. Our business includes business from government or government owned entities, where we are the sub-contractors in such projects, which subjects us to a variety of risks.

Our business includes business from government or government owned entities. Set out below is the revenue generated from projects awarded by the government or government owned entities, together with such revenue as a percentage of revenue from operations for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)
Government and government entities	112.44	1.41%	588.89	6.69%	453.69	6.59%

We cannot assure you that government policies will continue to place emphasis on infrastructure. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the infrastructure sector resulting in any change in government policies or priorities, including on account of changes in government pursuant to elections, our business, prospects, financial condition and results of operations may be adversely affected. Contracts with government and government owned entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation, insufficiency of funds and political pressure, which may lead to a lower number of contracts available for bidding, an increase in the time gap between invitation for bids and award of the contract, a renegotiation of the terms of these contracts after they are awarded, or delays in payments against our invoices. Further, in relation to such contracts, we may be subject to additional regulatory scrutiny associated with commercial transactions with governments and government owned entities.

Contracts with governments and government owned entities are typically based on the contract finalized by the relevant entity. As a result, our ability to negotiate the terms of these contracts is limited and such terms tend to favour the government owned entities. Any of the foregoing could adversely affect our business, financial condition and results of operations.

9. The global nature of our operations exposes us to risks that could materially adversely affect our business, results of operations, financial condition, cash flows and future prospects.

In Fiscal 2024, Fiscal 2023 and Fiscal 2022, we manufactured products and supplied services to domestic customers and overseas customers including from US, Brazil, South Africa, Qatar, Sri Lanka, Morocco, Nigeria, Kenya and Seychelles. We have experienced downward fluctuations in our revenues from our operations outside India on a regular basis in the last three Fiscals. Any such further fluctuations, if they occur, may adversely affect our profitability, results of operations and financial condition. The table below sets forth the revenue contribution from our operations outside India and such revenue contribution as a percentage of our revenue from operations in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	% of revenue from operations (%)	Revenue contribution (in ₹ million)	% of revenue from operations (%)	Revenue contribution (in ₹ million)	% of revenue from operations (%)
Revenue from our operations outside India	191.99	2.41%	602.57	6.84%	761.20	11.06%

We plan to continue to expand our presence in international markets by focusing on target countries in accordance with our business strategies. The markets in which we operate and plan to operate in the future are diverse and fragmented, with varying levels of economic and infrastructure development and distinct legal and regulatory systems, and do not operate seamlessly across borders as a single or common market. We may require considerable management attention and financial resources for managing our growing business across these international markets. Our multinational operations are subject to inherent risks, including, but not limited to:

- entry barrier and difficulties in establishing brand recognition;
- uncertainties in cooperation with new local business partners, logistics and transportation partners;
- exposure to expropriation or other government actions in new regions;
- increased costs related to raw materials and marketing our products in new regions;
- start-up costs related to establishing offices, infrastructure and services in new regions;
- longer accounts receivable collection periods and greater difficulty in accounts receivable collection due to lower bargaining power in a less familiar market;

- potential foreign exchange and repatriation controls on foreign earnings, exchange rate fluctuations and currency conversion restrictions;
- the burden of complying with a variety of foreign laws, including delays or difficulties in obtaining government approvals and permits, import and export licenses, and regulations and unexpected changes in the legal and regulatory environment, including changes to import and export regulations;
- increases in distribution and transportation costs;
- uncertainty regarding liability for products;
- actions which may be taken by foreign governments pursuant to any applicable trade or other restrictions;
- difficulties and costs of staffing and managing multiple multinational operations;
- reduced protection for intellectual property rights in some jurisdictions, at a reasonable cost or at all;
- potentially adverse tax consequences, including tax consequences which may arise in connection with intercompany pricing for transactions between separate legal entities within a group operating in different tax jurisdictions;
- credit risk and higher levels of payment fraud;
- inability to obtain adequate insurance;
- challenges caused by distance, language and cultural differences, and by commencing business relationship with foreign partners and foreign agencies; and
- political and economic instability including potential for political unrest, war or acts of terrorism in countries in which we operate.

We may be unsuccessful in developing and implementing policies and strategies that shall be effective in managing these risks in each country where we do business or plan to do business. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition. Further, we may face competition in other countries from companies that have more experience with operations in such countries or with international operations generally. We may not be able to compete with such companies if we are unable to offer competitive products at better price points which appeal to consumers in such markets. If we are unable to successfully build our brand reputation in the international markets, it may limit our ability to grow our business. Also, by expanding into new regions and markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

10. Our business is working capital intensive. If we are unable to maintain our working capital requirements at an optimal level, our business prospects, results and financial condition could be adversely affected.

We have continuous working capital requirements for maintaining sufficient raw material, stores and inventories of finished products, sundry debtor and other current assets during the course of our business operations. We might not be able to provide sufficient collateral to secure the letters of credit, bank guarantees or performance bonds and our ability to enter into new contracts could be limited. Providing security to obtain letters of credit, bank guarantees and performance bonds increases our working capital needs and requirements and limits our ability to repatriate funds in order to meet our contractual obligations or pay dividends. Although we tie up our working capital requirements with our lenders, however, such tie-ups may not be sufficient to meet our working capital requirements in future, considering our expansion plans. Also, there can be no assurance that the budgeting of our working capital requirements for a particular year shall be accurate. There may be situations wherein we may under-budget our working capital requirements, in which case there may be delays in arranging additional working capital, which may consequently disrupt the ongoing operations at our Manufacturing Facilities leading to loss of reputation, and an adverse effect on the cash flows. While a portion of our Net Proceeds are proposed to be utilized towards funding of working capital requirements of our Company in Fiscal 2025 and 2026, we may, in view of our high working capital requirements, still require additional alternate working capital funding in Fiscal 2025 and 2026 and for further fiscals. We cannot assure you that we will be able to efficiently deploy the Net Proceeds for working capital purposes in a timely and efficient manner. For details in relation to our working capital requirements, please see "*Objects of the Offer - Funding the working capital requirements of our Company*" on page 119.

Our net working capital requirements for Fiscal 2024, Fiscal 2023 and Fiscal 2022, together with our net working capital requirements as a percentage of our revenue from operations for the respective periods are set in the table below:

Fiscal 2024		Fiscal 2023		Fiscal 2022	
Net Working capital requirements* (in ₹ million)	**Net Working capital requirements as a percentage of revenue from operations (%)**	**Net Working capital requirements* (in ₹ million)**	**Net Working capital requirements as a percentage of revenue from operations (%)**	**Net Working capital requirements* (in ₹ million)**	**Net Working capital requirements as a percentage of revenue from operations (%)**
2,148.45	27.02%	1,450.64	16.48%	1,145.51	16.64%

* *Net Working capital requirements = Current Assets (excluding cash and cash equivalents) minus Current Liabilities (excluding short term borrowings)*

11. Our current order book and our growth rate may not be indicative of the orders we will receive in future. Any delays, modifications in execution, modifications or cancellations of our orders expose us to revenue volatilities adversely impacting our revenue from operations, cash flows and financial conditions.

As of August 31, 2024, we had an order book of ₹8,330.47 million, which constituted 104.78% of our consolidated revenue from operations for Fiscal 2024. Set out below is the split of our order book from our Phenix and Proflex Division, along with a percentage of the order book details against our revenue from operations in Fiscal 2024:

Division	Order book contribution (in ₹ million) as of August 31, 2024	As a percentage of our consolidated revenue from operations in Fiscal 2024 (%)
Phenix Division	6,765.10	85.09%
Proflex Division	1,565.37	19.69%
Total	**8,330.47**	**104.78%**

Our order book may be materially impacted if the time taken or amount payable for completion of any ongoing order of our Company exceeds the contractual estimate. The growth of our order book is a cumulative indication of the revenues that we expect to recognise in future periods with respect to our existing contracts. We cannot assure you that the income anticipated in our order book will be realised or if realised, will be realised on time or result in profits. In the last three Fiscals, we have had one major instance of termination of a contract in connection with the supply and installation of a PEB and few minor instances of termination of contracts. For details, see "*Risk Factors- We derive a significant portion of our revenues from few customers and repeat orders which we identify as orders placed by customer groups that have placed orders with our Company previously. Any loss of, or a significant reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows*"" there can be no assurance that the orders will not be cancelled or terminated prematurely in the future, and our Company will receive any applicable termination payments in time or at all or that the amount paid will be adequate to enable our Company to recover its investments in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us which may exceed the agreed work as a result of which, our future earnings may be lower from the amount of the order book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

The completion of our orders involves various execution risks which may make us unable to complete our orders within the scheduled time including order delays, modifications in the scope or cancellations may occur from time to time, due to delay in payments by our customers or due to our own defaults, incidents of force majeure, cash flows problems, regulatory delays and any other factor beyond our control. In view of the above, orders can remain in our order book for extended periods of time because of the nature of the order and the timing of the services required by our customers. Delays in the completion of an order may lead to delay in payments from our customers.

We cannot assure you that in future we would not default on any of the existing terms of our orders resulting in the payment of liquidated damages. Such delays in the execution of orders results in the cost overruns and affects our payment milestones subsequently impacting our revenue recognition method. Such delays also expose our business to revenue volatility thereby creating an adverse impact on our revenue, cash flows and financial conditions. We may not be able to maintain and enhance our production capabilities within scheduled time or implement our production plans effectively at all.

12. We are dependent on third-party contract labourers for several aspects relating to our manufacturing activities. Any disruption in the supply of contract labour or our inability to control the composition of our contract labour could adversely affect our business, results of operations, financial conditions and cash flows.

Our operations are dependent on a large pool of contract labour and an inability to access adequate contract labour at reasonable costs may adversely affect our business prospects and results of operations.

We engage a large number of contract labours depending on the requirements of labour-intensive projects. The number of contract labours vary from time to time based on the nature and extent of work involved in our on-going projects. As on August 31, 2024 we had hired 884 contract labourers.

We enter into arrangements with contractors for the recruitment of contract labour as per our requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by us may be unable to provide the requisite manpower on a timely basis, or at all, or may be subjected to disputes with their personnel, which, in turn, may affect production at our Manufacturing Facilities and timely delivery of our products to our customers. Although our Company does not engage such contract labours directly, we may be held responsible for any wage payments to be made to such contract labours in the event of default by the independent contractors. While the amount paid in such an event can be recovered from the independent contractor, any significant requirement to fund the wage requirements of the engaged labourers or delay in recovering such amounts from the independent contractors may have an adverse effect on our cash flows and results of operations. Any disruption to the supply of such labour for our Manufacturing Facilities or customer sites or our inability to control the composition and cost of our contract labour could adversely affect our business, results of operations, financial condition and cash flows. Further, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. If labour laws become more stringent, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

13. We depend on third-party builders and erectors for timely completion of our projects. Any delay by third-party builders in the execution of projects or adverse relation with such builders could have an adverse effect on our business, future prospects and future financial performance.

We maintain relationships with builders/erectors who we identify and scrutinize based on their previous work experience. While such third party erectors are responsible for implementation of the PEBs at the customers' site, we are responsible to the customer for the management, supervision and site engineering of the project on an overall basis. The table below sets forth the building erection charges, together with such charges as a percentage of our total expenses for the period stated below:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (In ₹ millions)	As a percentage of total expenses (%)	Amount (In ₹ millions)	As a percentage of total expenses (%)	Amount (In ₹ millions)	As a percentage of total expenses (%)
Expense incurred towards erection and installation	579.60	7.76%	577.98	6.85%	431.23	6.38%

We may face the risk of our building/ erection contractors not being able to deliver their obligations on time or default in their delivery timelines. In the event we are unable to find an alternative building/erection contractor on a short notice, our obligations towards our customers for timely completion of the orders will be adversely affected. In addition, should the building contractors' default on their work specifications to us, we may not be able to perform our services for our customers in accordance with quality, schedules or specifications pre-agreed with our customers. While there have been no instances in Fiscal 2024, Fiscal 2023 and Fiscal 2022 where any of the building/erection contractors had either materially defaulted on their contractual obligations or had caused a material delay in the execution of our projects, we cannot assure you that there would be no such delays in the future or any default of the contractual terms. Any default, non-performance or negligent act by our builders/erectors may result in us defaulting on our obligations with our customers. In case our customers choose to initiate action against us due to such delays or defects in our products, our financial performance and operating cash flows will be adversely affected.

The table below sets forth the number of external partners for erection and related services that we have worked with in Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
External partners for erection and related services	73	83	83

14. ***We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.***

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. The table below sets forth details of statutory dues paid by M&B Engineering Limited in relation to our employees for the years indicated:

Particulars	**Number of employees as at March 31, 2024***	**Statutory dues paid (₹ in million)**	**Number of employees as at March 31, 2023***	**Statutory dues paid (₹ in million)**	**Number of employees as at March 31, 2022***	**Statutory dues paid (₹ in million)**
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	1,364	66.06	1,200	49.46	1,228	42.69
Employee State Insurance Act, 1948	548	3.42	577	4.29	666	4.17
Professional Taxes	1,406	3.06	1,232	3.17	1,346	2.88
Income Tax Act, 1961 (TDS)	316	59.15	311	49.70	286	44.46
Goods and Service Tax	Not applicable	43.44	Not applicable	48.76	Not applicable	36.86
Gratuity tax	643	8.31	610	9.66	567	5.77

* *As on the last date of the respective financial year.*

The table below sets out details of non-payment, defaults or delays in payments of statutory dues in relation to our Company for the years indicated:

Particulars	**Financial Year 2024**		**Financial Year 2023**		**Financial Year 2022**	
	Number of Instances	**Amount delayed *(₹ in million)***	**Number of Instances**	**Amount delayed *(₹ in million)***	**Number of Instances**	**Amount delayed *(₹ in million)***
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	2	3.81	0	0.00	1	1.93
Employee State Insurance Act, 1948	3	0.15	0	0.00	0	0.00
Professional Taxes	0	0.00	0	0.00	1	0.00
Income Tax Act, 1961 (TDS on Salary)	1	3.28	1	0.03	3	1.16
Goods and Service Tax	22	3.03	0	0.00	2	0.80
Gratuity tax	0	0.00	0	0.00	0	0.00
Total	**28**	**10.27**	**1**	**0.03**	**7**	**3.89**

We cannot assure you that we may face delays of payments of statutory dues in the future any may subsequently be subject to penalties and fines in the future which may have a material adverse effect on our financial condition and cash flows.

15. ***Our Company does not own the logos which are used by us for certain business activities. Any failure to protect or enforce our rights to own or use our logos, trademarks and identities could have an adverse effect on our business and competitive business.***

Our Company does not have registered trademarks under the Trade Marks Act, 1999 for our logos which are used by us for certain business activities. We cannot assure you that we will be able to obtain registrations for these logos in a timely manner, or at all. Further, our efforts to protect our intellectual property may not be adequate and any third parties may infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks, which may adversely affect our goodwill, business, financial condition, results of operations, cash flows and prospects. Any of the foregoing could have an adverse effect on our business and competitive position. Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. In case we are unable to obtain the registrations for the said logos, trademarks our business revenues and profitability may be impacted.

16. ***Any underutilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

The table below sets forth the installed production capacity and the capacity utilization at each of our Manufacturing Facilities and our mobile manufacturing units for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Sanand Facility

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization
Pre-Engineered Buildings	MTPA	72,000.00	41,845.30	58.12%	72,000.00	43,483.19	60.39%	72,000.00	38,555.04	53.55%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

Note: Installed capacity and annual production indicate the capacity for production of pre-engineered buildings which generally determines the overall capacity of the manufacturing facility. This does not include the individual capacity for manufacturing specific primary and secondary structural components for pre-engineered buildings, structural steel components such as beams, channels, hollow sections which are generally form part of the pre-engineered buildings.

* *It is assumed operations of 365 days a year and 3-shift operation of 8 hours a day for calculation of Installed Capacity of respective facilities of M&B Engineering Ltd*

Our Cheyyar Facility was commissioned in May 2024 with an existing capacity of 31,800 MTPA.

The installed capacity and capacity utilization for our mobile manufacturing units for Fiscals 2024, 2023 and 2022 respectively are set out below:

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization
Self-Supported Roofings	Square meters	16,50,000.00	12,31,610.00	74.64%	16,50,000.00	13,66,744.00	82.83%	12,00,000.00	10,66,225.00	88.85%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

As of August 31, 2024, our installed capacity for manufacturing of self-supported roofings was 18,00,000 square metres per annum.

These figures are not indicative of future capacity utilisation rates, which is dependent on various factors, including availability of raw materials, demand for our services, customer preferences, our ability to manage our inventory and implement our growth strategies. Underutilisation of our manufacturing capacities over extended periods, or significant underutilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance. Further, since our mobile manufacturing units could be located anywhere across the country, any disruption in any part of the country could have an impact on the actual utilization of the mobile manufacturing units.

17. Our Subsidiaries have availed certain unsecured borrowings which are repayable on demand. Any such demand may adversely affect our business, cash flows, financial condition and results of operations.

Our Subsidiaries have availed certain unsecured borrowings which are repayable on demand. The table below sets out the details of the unsecured borrowings by our Subsidiaries from our Company as of March 31, 2024:

Loan From	Loan To	Amount Outstanding (in ₹ Millions)
M & B Engineering Limited	Phenix Construction Technologies, Inc.	93.51

Further, our Subsidiary, Phenix Building Solutions Private Limited has availed unsecured loans from our Directors and Promoter, Chirag Hasmukhbhai Patel and Vipinbhai Kantilal Patel amounting to ₹6.54 million as of September 23, 2024. For further details in relation to our indebtedness, please see section titled "*Management - Interests of our*

Directors" on page 254. In the event that our lenders seek a repayment of their respective loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate funds to undertake new initiatives or complete our ongoing strategies. As a result, any such demand for repayment of unsecured borrowings may adversely affect our business, cash flows, financial condition and results of operations.

18. Our Manufacturing Facilities are currently concentrated in the states of Gujarat and Tamil Nadu in India. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Gujarat and Tamil Nadu could have an adverse effect on our business, results of operations, financial condition and cash flows.

We have two Manufacturing Facilities located at Sanand, Gujarat and Cheyyar, Tamil Nadu. Due to the geographic concentration of our Manufacturing Facilities, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political, demographic and population changes, and other unforeseen events and circumstances. Such factors could result in the damage or destruction of a significant portion of our manufacturing abilities, and/or otherwise materially adversely affect our business, results of operations, financial condition and cash flows.

The occurrence of any of these events could require us to incur significant capital expenditure or change our business structure or strategy, which could have an adverse effect on our business, results of operations, future cash flows and financial condition. While we have not faced any material disruptions in Fiscal 2024, Fiscal 2023 and Fiscal 2022 of our operations due to factors, events or circumstances specific to their geographical location, we cannot assure you that there will not be any significant developments in these regions in the future, which may adversely affect our business, results of operations, financial condition and cash flows.

19. We may face significant competition in our business from both domestic as well as international companies and our inability to compete effectively may adversely affect our business, cash flows, results of operations, financial condition, and may also lead to a lower market share or reduced operating margins.

Our pre-engineered buildings business and our self-supporting steel roofing business may face competition from companies may face significant competition in our business from both domestic as well as international companies. Few of our competitors may win market share from us by providing lower cost solutions to our customers, with or without adversely affecting their profit margins or by offering technologically advanced products or services.

Even if our offerings address industry and customer needs, our competitors may be more responsive to these needs and more successful at selling their products. If we are unable to provide our customers with superior products and services at competitive prices or successfully market those services to current and prospective customers, we could lose customers, market share or be compelled to reduce our prices, thereby adversely affecting our business, results of operations and financial condition. Our profitability and growth can also be affected by other competitive pressures such as competition for skilled engineering and technology professionals with a proven delivery track record. Our competitors' actions, including expanding their manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume. Any of the aforementioned factors could adversely affect our business, results of operations, financial condition and cash flows.

20. Our financial results may be subject to seasonal variations and cyclical nature of the industry.

Our revenues and results may be affected by seasonal factors and also due to the cyclical nature of the PEB and self-supported roofing industry. Some of our customers have businesses which are seasonal in nature and a downturn in demand for our products by such customers could reduce our revenue during such periods. Our operations may also be adversely affected by difficult working conditions during monsoon season. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced. Although such adverse weather conditions do not typically have a material impact on our revenue from operations, abnormally rainy monsoon could have a material impact. Further, the PEB and self-supported roofing industry is exposed to the risks associated with the downturn in the capital expenditure cycle and accordingly, our financial results may be impacted due to such downturn in the capital expenditure cycle in future.

21. Our inability to effectively manage project execution and milestone schedules may lead to project delays which may adversely affect our business and results of operations.

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby materially and adversely affect our profitability. Further our purchase order / contracts typically provide specified milestones to be achieved within a specific timeframe, and we may be liable to our clients for any failure to meet such project milestones within the stipulated schedule in accordance with the terms of the relevant purchase order / contract. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors, including:

- delays in receipt of work schedules and engineering inputs, approvals and decisions required from the client;
- delays in delivery of raw materials, components or equipment;
- changes to project plans and process requirements;
- delays in performance by the sub-contractors;
- onsite accidents and accidents during delivery and installation of our products;
- delays in transportation of building components;
- unavailability of skilled and unskilled labour;
- local strikes, work stoppages and curfews by political parties; and
- adverse weather conditions.

22. If we are unable to introduce new engineering processes and respond to changing customer preferences in a timely and effective manner or if our services become obsolete due to a breakthrough in the development of technology or alternate products, the demand for our engineering services and supplies may decline, which may have an adverse effect on our business, cash flows, results of operations and financial condition.

The success of our business depends upon our ability to anticipate and identify changes in customer preferences, offering products and services that customers require and, on our ability to develop and manufacture our products in a timely and cost-effective manner. Additionally, such customer preferences are influenced by a number of factors beyond our control, such as the prices of alternative products and prevailing economic conditions. We constantly seek to develop our innovation capabilities to distinguish ourselves from our competitors to enable us to introduce new products and services and different variant of our existing products, based on customer preferences and demand.

Although we seek to identify trends and introduce new services, we recognise that customer preferences cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our customers. Before we can introduce a service, we must successfully execute a number of steps, including successful engineering, obtaining required approvals and registrations, effective marketing strategies for our target customers, while scaling our vendor, production and infrastructure networks to increase or change the nature of our production capacity. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we sell.

In the event of a breakthrough in the development or growing popularity of alternate technology, we may be exposed to the risk of our services becoming obsolete or being substituted by alternatives, and any failure on our part to effectively address such situations or to introduce new products could adversely affect our business, results of operations, financial condition and cash flows. Further, if our customers, defer or cancel orders for our existing services due to introduction of alternative services, which are much more suitable and preferred as an option, our operating results could be adversely affected.

23. We may not be able to adequately protect our intellectual property or may unintentionally infringe upon the intellectual property rights of others which could substantially harm our business.

We rely on trademarks to protect our rights to our Company's logo. We believe that the logo under which our business operates is an important asset which is integral to the success of our operations. For details of our intellectual property, see "*Our Business – Intellectual Property*" on page 226 of the DRHP.

While our Company has registered 13 trademarks in India, and may register our other intellectual property in the future, if we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary property could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. Further, if any infringement of our intellectual property takes place in jurisdictions other than India, we may face challenges in enforcing our intellectual property. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. While there have instances in the past three fiscals, in relation to the illegal use and impersonation of our trademarks or logos by third parties or any negative publicity about our brand(s) could affect our reputation which, in turn, could affect our ability to attract and/or retain customers, which may adversely affect our business and results of operations. For further details, in relation to the infringement suits filed by our Company, see "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigations filed by our Company*" on page 382 of the DRHP.

The use of our logo by any third party may lead customers to confuse them with our Company, which could lead to our Company losing business to such competitors and could adversely affect our goodwill. In addition, if such third parties experience any negative publicity, it could have an adverse effect on our reputation. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly, and the outcome cannot be assured. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. In the event that the steps we may take, and the protections afforded by law do not adequately safeguard our proprietary rights, we could suffer losses in revenues and profits due to competing sales of products unlawfully produced which may have an adverse effect on our business, prospects, results of operations and financial condition. Our services are marketed both domestically and internationally and, we aim for a strong brand recall value for our products in such markets. However, any instances of (i) decrease in product quality due to reasons beyond our control; and (ii) unsubstantiated allegations of product quality may motivate our existing and potential customers to explore business relationships with our competitors. As a result, any adverse publicity involving our brand, our products, or us, may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects. In the event that such breaches do occur, and we are unable to secure adequate remedies in relation thereto, our profitability and reputation may be adversely affected with consequent impact on our results of operations and financial condition.

We also rely on product, industry, manufacturing and market "know-how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements. We cannot assure you that any of our registered intellectual property rights or our knowhow, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be successfully opposed or otherwise challenged.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights. We may therefore be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. This could have an adverse effect on our business, results of operations and damage our reputation and relationships with our customers.

24. Our business benefits from the National Steel Policy introduced by the Government of India to boost the steel industry. Withdrawal of this policy could have an adverse impact on our business, results of operations, financial condition and cash flows.

The National Steel Policy was introduced in 2017 ("**NSP**") with the objective to increase domestic steel production and consumption, produce high-quality steel and increasing India's competitiveness globally. It also focuses on cost efficiency, raw material availability and research and development to achieve the overall objectives laid out under the policy. It aims to create a technologically advanced and globally competitive steel industry which will promote self-sufficiency in steel production as well as economic growth. Further, the National Steel Policy aims to increase in consumption of steel through major sectors of infrastructure, automobiles and housing, to achieve 300 MT of steelmaking capacity by 2030 and increase per capita steel consumption to the level of 160 kgs by 2030. *(Source: CRISIL Report)*. This has resulted in boosting of usage of steel and products manufactured from steel. A withdrawal of this policy could have an adverse impact on our business, results of operations, financial condition and cash flows. We expect to benefit from the above government initiatives and other initiatives similar thereto, and our business growth and continued profitability would depend in part on favourable government initiatives such as these, and in the absence of such favourable initiatives, our growth, cash flows and future financial performance may be adversely affected.

25. We have indebtedness which requires cash flows to service and limits our ability to operate freely. Any breach of terms under our financing arrangements or our inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating.

We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities and bank guarantees. The table below sets out our total borrowings as of Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024 (in ₹ million)	Fiscal 2023 (in ₹ million)	Fiscal 2022 (in ₹ million)
Total Borrowings*	2,048.42	1,487.48	995.83

* *total borrowings consist of current and non-current borrowings*

The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from our lenders prior to undertaking certain matters including, among others, undertaking any new project or substantial expansion of any of its existing business or capital expenditure, any change in the management set-up of our Company, change in the capital structure of our Company or the constitutional documents of our Company, change in ownership or control of our Company. In the event our Company fails to achieve viability milestones, critical conditions projected in the restructuring package, the lenders shall have a right to convert the loan (including unpaid interest) or part thereof, into Equity Shares of our Company, in their sole discretion. For details, see "*Financial Indebtedness*" beginning on page 379. As our assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. This may also limit our ability to incur future debt and create security thereby requiring us to obtain the respective lenders' consent prior to entering into certain transactions.

While, as on the date of this Draft Red Herring Prospectus, we have complied with all covenants and obtained all requisite consents from our lenders for undertaking the Offer, there can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business in the future. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. A default under certain of our financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities or acceleration of amounts due under such facilities could adversely affect our business, financial condition, results of operations and cash flows.

26. Our Subsidiary, Phenix Construction Technologies Inc. has incurred losses in the last three Fiscals 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.

Our Subsidiary, Phenix Construction Technologies Inc. incurred losses in the Fiscal 2024, Fiscal 2023 and Fiscal 2022. Phenix Construction Technologies Inc incurred losses due to a reduced inflow of orders, which resulted in lower revenues, resulting in a loss due to the inability to absorb fixed costs. The table below sets forth details in relation to the losses incurred by Phenix Construction Technologies Inc. during Fiscal 2024, Fiscal 2023 and Fiscal 2022.

(*in ₹ million*)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Phenix Construction Technologies Inc,	(28.99)	(46.54)	(25.90)

In order to continue their operations, our Subsidiaries may require continual financial support from our Company either as debt or as equity. We may not have the ability to provide such support on a continual basis. Such financial support is also subject to limitation under applicable Indian and US laws.

27. Our inability to collect receivables and defaults in payment from our customers could result in the reduction of our profits and affect our cash flows.

Generally, we sell our products against future payment with credit terms varying according to local market practice. Our credit terms typically vary from 0 days to 90 days. However, our customers may be adversely affected by a number of factors beyond their control which could affect their financial condition and consequently their ability to pay us for products that we have sold or are present in their inventory. Although we have not experienced any significant defaults in the past, in periods of declining economic conditions, there can be no assurance that such losses shall not be material, which may have an adverse effect on our business, financial condition and results of operations. Our trade receivables as of March 31, 2024, March 31, 2023 and March 31, 2022 were ₹1,389.60 million, ₹1,192.15 million and ₹1,200.32 million, respectively.

Additionally, in the event of any dispute or a default regarding our payments, we may be constrained to initiate appropriate recovery proceedings which may adversely affect our relations with customers whose loyalties may change in favour of our competitors thereby negatively impacting our order book numbers. There can be no assurance that any legal action taken by our Company against such defaulting customers shall be adjudicated in our favour, and in case of an adverse finding, we may not be able to recover our dues from them, which shall adversely impact our financial condition and results of operations. Further, we may be subject to reputational losses and we may not be perceived as a favoured supplier as potential customers may not be desirous of engaging in commercial arrangements with us in anticipation of similar proceedings being instituted against them as well. This could have an adverse effect on our business, financial condition and results of operations.

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

Apart from our operations in India of which our sales are denominated in Indian Rupees, we also sell our products in and source our raw materials from several other countries and receive and make payments in foreign currencies. Particularly, we import raw materials for our self-supported steel roofing solutions business. Fluctuation in foreign currencies exchange rates could have adverse effects on our business, results of operations and financial condition. The table below sets out our foreign exchange fluctuations on import and export in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ millions)

Nature of Foreign Exchange Fluctuations	Fiscal 2024	Fiscal 2023	Fiscal 2022
Exchange Fluctuation (Net) Gain/(Loss)	6.43	(16.05)	7.49
Total	**6.43**	**(16.05)**	**7.49**

Our business and results from operations may be affected in the event that the exchange rate between the international currencies and the Indian Rupee fluctuates. Depreciation of the Indian Rupee against such international currencies may have an adverse effect on our total expenses and profit. Further, volatility in exchange rates would result in an increase in the cost of our products. We may not be able to pass on such increase in costs to our customers. Certain markets in which we sell our products may be subject to exchange control risks, which may result in either delayed recovery or even non-realization of revenue. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. For particulars of our foreign exchange risk, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 347.

29. In the event our contingent liabilities and capital commitments materialize, our financial condition and profitability may be adversely affected.

The following table sets forth certain information relating to our contingent liabilities and capital commitments in accordance with Ind AS 37 as of Fiscal 2024:

(in ₹ millions)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Contingent liability:			
Outstanding Bank Guarantees*	1,123.82	820.17	452.65
Total Contingent Liabilities	**1,123.82**	**820.17**	**452.65**
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	61.20	46.48	7.73
Total capital commitments	**61.20**	**46.48**	**7.73**

* *Bank Guarantees consists on Advance Bank Guarantees (ABG) and Perfomance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when prorata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against satisfactory performance and normally has a validity for a year.*

We cannot assure you that these contingent liabilities shall not become established as liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our financial condition and results of operations. Further, there can be no assurance that we shall not incur similar or increased levels of contingent liabilities in the future. For further details, see also "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 347.

30. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into transactions with related parties in the past and we may, from time to time, enter into related party transactions in the future. These related party transactions include, *inter alia*, sale of goods, interest received, loan given, sale of service, purchase of goods and expenses paid. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and applicable law. We cannot assure you that we will receive similar terms in our related party transactions in the future, and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations. For details of the related party transactions see "*Other Financial Information – Related Party Transactions*" on page 346.

For details of a summary of the related party transactions for the Fiscals ended March 31, 2024, 2023 and 2022 as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Consolidated Financial Statements, see "*Offer Document Summary - Summary of related party transactions*" on page 24.

The table below sets out the sum of related party transactions for each of the years set out below, together with such sum of related party transactions as a percentage of our revenue from operations for the respective periods:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sum of related party transactions involving the Company (in ₹ millions)	2,324.38	4,259.24	2,828.25
As a percentage of revenue from operations (%)	29.24%	48.37%	41.09%

Note: Total Related party transactions involving Company means revenue transactions from Sale of Goods, Interest on Loan Paid, Interest Received, Sale of Service, Purchase of goods, Expenses recovered, Expenses Paid, Rent Paid, Donation Expense, Salary Paid and Interest Paid.

31. Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus.

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures presented in this Draft Red Herring Prospectus such as EBIT, EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Return on Capital Employed, Net Debt, Net Debt to EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio and Net Asset Value (per Equity Share) are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP measures, and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. However, such information may not be computed on the basis of any standard methodology that is applicable across the industry and may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS. Such information may also not be comparable to titled measures presented by other companies and may have limited usefulness as a comparative measure. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition.

32. A shortage or unavailability of electricity, fuel or labour could affect our manufacturing operations and may have an adverse effect on our business, results of operations and financial condition.

Our manufacturing operations require continuous supply of electricity for which we depend on the respective state board electricity supply, where our Manufacturing Facilities are located.The table below sets out our power and fuel charges together as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)
Power and Fuel charges	29.13	0.39%	26.64	0.32%	22.69	0.34%

The table below sets out our labour costs together as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)
Labour costs and manpower supply (contractual labour)	116.57	1.56%	105.68	1.25%	88.69	1.31%

Any shortage or non-availability of electricity, failure of the state electricity grid or a shortage of fuel or unavailability or reduction in labour could delay our operations at the Manufacturing Facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition. Further, any shortage of available labour could impact our operations and consequently have an adverse effect on our business, results of operations and financial conditions.

33. Some of our projects are awarded to us through a competitive bidding process. Therefore, our business is dependent on securing tenders for pre-engineered buildings, bidding for a tender involves cost estimations for the bidding process. Inability to accurately estimate the cost or match the prices quoted by our competitors, may lead to loss of tender creating an adverse impact on our business, results of operations, financial condition and cash flows.

We obtain a portion of our business through a competitive bidding process in which we compete for projects based on, among other factors, pricing, technical capabilities and performance, as well as reputation for quality, experience, past track record, and financing capabilities. The growth of our business depends on our ability to obtain projects including through being awarded tenders in a competitive bidding process. Once the prospective bidders satisfy the qualification requirements of the tender, the project is usually awarded based on the quote submitted by the prospective bidder. We prepare our quotes through estimations based on our budget and bid for the proposals. Once the bids are evaluated by the customer, the bidder offering a competitive price and meeting other criteria is awarded the project. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted would be accepted. The table below sets forth details in relation to the bids submitted by our Company and our bid to win ratio in Fiscal 2024, Fiscal 2023, Fiscal 2022.

Year	No. of bids submitted		Bids lost		Bids won		Bids for which results are awaited		Bids to win ratio	
	(in number of bids)	*(in value (in ₹ million)*	*(in number of bids)*	*(in value (in ₹ million)*	*(in number of bids)*	*(in value (in ₹ million)*	*(in number of bids)*	*(in value (in ₹ million)*	*(in number of bids)*	*(in value) (%)*
Fiscal 2024	0	-	0	-	0	-	0	-	-	0.00%
Fiscal 2023	1	78,855.00	0	-	1	78,855.00	0	-	1.00	100.00%
Fiscal 2022	5	4,72,388.00	1	14,272.00	4	4,58,116.00	0	-	0.80	80.00%

At the time of submitting our bid to acquire a contract, we provide estimated costs involved for the completion of the project including costs related to raw materials, manpower, fuel, equipment, and any additional expenses that may be incurred during the execution of the project. However, an increase in the quantity or price of raw material, fuel and labour required to execute the project, whether on account of unforeseen construction conditions, or failure or delays on part of our contractors/ sub-contractors, or change in the project or any other reasons could cause the actual expense to us for executing the project to vary from the assumptions underlying our bid for such contract, which could expose us to increases in our actual costs and as such reduced profit margins or losses. We may or may not be able to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.

Projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

We may lose bids to our competitors pursuant to competitive bidding processes due to various factors, including factors which may be beyond our control, such as market conditions and external economic outlook. In the past we have lost certain bids on account of competitors offering lower price. We cannot assure you that we would not lose any bids in future as well. Further, any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share.

With reference to projects where our bids have been successful, there may be delays in award of the projects, in procurement of approvals, as may be required for commissioning of the projects, which may delay our projects as well as result in cost overruns, and/or notification of starting dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations.

Further, as long as entities related to government are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them. In relation to such contracts, we may also be subject to additional regulatory scrutiny associated with commercial transactions with government owned or controlled entities and agencies. Further, in certain instances, we may face delays associated with collection of receivables from government owned or controlled entities. If any such government entity changes its policy in connection with the bidding process which we are unable to comply with, it may have an impact on our financial condition and results of operations.

34. We are dependent on third party transportation and logistics service providers. Any defect, damage or destruction caused to our products during the process of delivery could adversely affect our business, financial condition and results of operations.

While we own some vehicles for delivery, we largely rely on third party transportation and logistics providers for delivery of our raw materials and products. We do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

We are subject to the risk of increases in freight costs. If we cannot fully offset any increase in freight costs, through increase in the prices for our products, we would experience lower margins. In addition, any increase in export tariffs also will increase expenses which in turn may adversely affect our business, financial condition and results of operations. Further, since we provide products and services to overseas customers we are heavily reliant on water transportation and the ports located near our Manufacturing Facilities.

We may be responsible for the transport of our products and accordingly be exposed to the risk of theft, accidents, defect, damage and/or loss of our products in transit. While there have been no material instances of theft, accident or loss in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could have an adverse effect on our business, financial condition and results of operations.

35. We have significant employee benefit expenses, such as salaries, wages and bonus, staff welfare expenses and contribution to provident and other funds. In case we face an increase in employee benefit expenses that we are unable to pass on to our customers, we may be prevented from maintaining our competitive advantage and our profitability may be impacted.

We are subject to labour legislations that protect the interests of workers, including legislations that set forth detailed procedures for dispute resolution and employee removal and impose certain financial obligations on employers upon retrenchment of employees, as well as laws and regulations relating to employee welfare and benefits such as minimum wage and maximum working hours, overtime, working conditions, non-discrimination, employee compensation, employee insurance, bonus, gratuity, provident fund, leave benefits and other such employee benefits. These legislations require compliance, from time to time, which may among others, involve payments to be made depending upon their period of employment. If we fail to comply with labour welfare legislations, we may be exposed to fines and we may also face the risk of our licenses under applicable legislations being cancelled or suspended. For further details on the labour laws and other regulations applicable to us, please refer to "*Key Regulations and Policies*" on page 229. Further, regulatory agencies in different states and courts in India may interpret compliance requirements differently, which may make compliance with laws and regulations more complex, time consuming and costly.

We also incur various employee costs, including salaries, wages and bonus, staff welfare expenses and contribution to provident and other funds. The table below sets out our employee benefit expenses and such expenses as a percentage of our revenue from operations in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(in ₹ million)	As a percentage of our total expenses(%)	(in ₹ million)	As a percentage of our total expenses(%)	(in ₹ million)	As a percentage of our total expenses(%)
Employee Benefits Expense	809.09	10.83%	753.52	8.93%	705.62	10.44%

In the event the welfare requirements under labour regulations applicable to us are changed, which leads to an increase in employee benefits payable by us, there can be no assurance that we will be able to recover such increased amounts from our customers in a timely manner, or at all. Our profit margins may get adversely impacted if we are unable to pass on such cost increases to our customers. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires.

36. Our Cheyyar Facility and certain of our offices are located on leased premises. There can be no assurance that these lease agreements shall be renewed upon termination or that we shall be able to obtain other premises on lease on same or similar commercial terms, which could adversely affect our business, results from operations, financial conditions and cash flows. There exists a conflict of interest between our Promoter Group members, Manibhai & Brothers, Manibhai & Brothers (PCC) Sarkhej and Manibhai & Brothers (Charitable Trust) and lessors of immovable properties.

Our Cheyyar Facility and certain of our offices are held on a leasehold basis: The details of these are set out below:

S. No	Property	Location / district	Nature of holding	Term of Lease
1.	Registered and Corporate Office	MB House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad – 380 014 Gujarat, India	Leased	Commencing from April 1, 2017, for a period of 10 years
2.	Godown in Ahmedabad	103/P Khoda & 107/2/P Khoda, Taluka Sanad, Dist Ahmedabad	Leased	Commencing from April 1, 2022, for a period of 3 years.
3.	Cheyyar Facility	Plot No. B-41, SIPCOT Industrial Park, Cheyyar - Phase - II, Mathur Village, Taluk of Vembakkam, Dusi, Tiruvannamalai	Leased	Commencing from October 17, 2022, for a period of 99 years.
4.	Delhi Office	B- 3/6&7, 2nd Floor, Front Side, Asaf Ali Road, New Delhi – 110002	Leased	Commencing from November 6, 2017, for a period of 9 years.
5.	Mumbai Office	7th Floor, 701/A, Mangalya, Marol - Maroshi Road, Marol, Mumbai- 400059 Maharashtra	Leased	Commencing from November 16, 2022, for a period of 3 years.
6.	Pune Office	Flat 7, Chinar Co-Operative Housing Society. CTS No. 1707 – B. F. P. No 50/1, K. B. Joshi Road, Shivajinagar, Pune – 411 005	Leased	Commencing from November 12, 2021, for a period of 3 years.
7.	Hyderabad Office	Plot No. 47, HIG, Phase V, KRHB Colony, Kukatpally, Ranga Reddy District, Hyderabad, Telangana	Leased	Commencing from May 1, 2024, for a period of 6 months.
8.	Bangalore Office	Urban Desk, No. 73, 3rd Floor, Service Road, Shreelekha Complex, W.O.C Road, 2nd Stage, Mahalakshmipuram, Bengaluru - 560086	Leased	Commencing from August 1, 2024, till June 30, 2025.
9.	Chennai Office	Second Floor, No. 2, 1st Cross Street, Achuthan Nagar, Ekkatuthangal, Chennai – 600032	Leased	Commencing from September 1, 2024, for a period of 11 months.
10.	Vijayawada Office	Door No. 27-22-43, J.D. Hospital Road, Governorpet, Vijayawada, Krishna District, Andhra Pradesh	Leased	Commencing from July 15, 2023, for a period of 3 years.
11.	Guwahati Office	A.T. Road, Bharalumukh, Guwaharti, Kamrup (Metro), Assam, 781009	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
12.	Patna Office	Naya tola rai colony, Khagal Road, Phulwari Sharif, Patna District, Bihar - 801505	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
13.	Goa Office	HDS-23, HIG Flats, Pundalik Nagar, Alto- Porvorim, Goa - 403521	Leased	Commencing from October 1, 2022, for a period 3 years.

S. No	Property	Location / district	Nature of holding	Term of Lease
14.	Haryana Office	412/4, Ram Nagar, Gali no.7, Sector 8, Gurgaon, Haryana, 122001	Leased	Commencing from December 20, 2022, for a period of 2 years.
15.	Solan Office	Motia Plaza, Village Saraj Majra, Tehsil Baddi, Distt Solan, Himachal Pradesh	Leased	Commencing from April 1, 2024, for a period of 3 years.
16.	Singhbhum Office	1270/c, Mills and Godown Area, Burma Mines, Tata Nagar, Jamshedpur, East Singhbhum, Jharkhand, 831002	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
17.	Ernakulam Office	VI/2125-G, Mattancherry vill, Gujarati Road,Cochin,Ernakulam, Kerala-682002	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
18.	Indore Office	S-104, Shalimar Palms flate, Pipliyahana, Indore, Madhya Pradesh – 452 016	Leased	Commencing from September 1, 2024, for a period of 11 months.
19.	Cuttack Office	Sikharpur, Uppar Sahi, Ps-Malgodown, Dist-Cuttack, Odisha, 753003	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
20.	Ludhiana Office	B-23-131/2, Industrial Area-A, Cheema Chowk, Ludhiana, Punjab	Leased	Commencing from June 1, 2022, for a period of 3 years.
21.	Jaipur Office	Shop no. 38, Muktanand Nagar, Gopal Pura By-Pass, Jaipur, Rajasthan, 302018	Leased	Commencing from June 1, 2024, for a period of 3 years.
22.	Noida Office	O-1206 A – Amrapali Zodiac – Sector -120, Noida, Guttam Budh Nagar, Uttar Pradesh	Leased	Commencing from October 1, 2023, for a period of 3 years.
23.	Kolkata Office	369 Block K, New Alipore, Kolkata, West Bengal, 700026	Leased	Commencing from November 1, 2023, for a period of 33 months.
24.	Ahmedabad Office II	Office No 201 to 203, 2nd Floor, ISCON Mall, opp. Bidiwala Park, Satelite Road, Ahmedabad – 380015	Leased	Commencing from January 1, 2024, for a period of 5 years.
25.	Guest House	F-903 Tulip Citadel, Ambawadi, Ahmedabad - 380015	Leased	Commencing from April 1, 2022, for a period of 3 years.
26.	Guest House	Anand Nagar, 100 ft Ring Road, Nr ParhladNagar Garden, Ahmedabad - 380051	Leased	Commencing from April 1, 2022, for a period of 3 years.

Our leases may expire in ordinary course. We cannot assure you that we shall continue to be able to operate out of our existing premises or renew our existing leases at favorable terms or at all. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations. In case of any encumbrance or adverse impact or deficiency in the title of the owners or development rights from whose premises we operate, breach of the contractual terms of any lease, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate our agreements, we may suffer a disruption in our operations and shall have to look for alternate premises. In the event of relocation, we may be required to obtain fresh regulatory licenses and approvals. Until we receive these, we may suffer disruptions in our operations and our business which may adversely affect our financial condition.

Our Promoter Group, Manibhai & Brothers, Manibhai & Brothers (PCC) Sarkhej, Manibhai & Brothers Finance Corporation, and Manibhai & Brothers Charitable Trust have given on lease five properties from the abovementioned table (i.e. our Registered Office and the Godown in Ahmedabad, our Ahmedabad Office II and two guest houses), to our Company, which may result in a conflict of interest with lessors of immovable property. If any conflict of interest arises in the future between our Promoter, members of the Promoter Group, Company, KMPs, Directors, Subsidiaries and Group Companies and its directors, and lessors of immovable properties, which are crucial for the operations of our Company, it may result in an adverse effect on our business and results of operations.

37. Certain forms filed by us with the RoC have discrepancies and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future.

Our Company is unable to trace certain corporate records and regulatory filings made by us. These include form 2, list of allottees and form 32. We have included details of such allotments and appointments in the Draft Red Herring Prospectus based on other corporate records such as the board and shareholders' resolutions. Further, there are certain discrepancies between the forms filed by our Company with the RoC.

Accordingly, we had commissioned a physical and electronic search of the RoC records through an independent practicing company secretary, Kashyap R. Mehta & Associates, Company Secretaries to ascertain the details of all corporate actions undertaken by our Company since incorporation. Pursuant to the foregoing, the practicing company secretary firm has issued its report dated September 23, 2024 (the "**Search Report**"). The key observations in relation to the Search Report are as follows:

Nature of forms and records missing: The nature of forms and corporate records the practicing company secretary was unable to locate are in relation to certain regulatory filings and corporate actions by our Company, include: (i) list of allottees in relation to the allotment of equity shares dated November 5, 1984; (ii) form 2 in relation to the allotment of equity shares dated May 11, 1985; (iii) form 32 in relation to the appointment of Girishbhai Manibhai Patel and Vipinbhai Kantilal Patel as directors of the Company in 1984; (iv) form 32 in relation to appointment of Chirag Hasmukhbhai Patel as a director of the Company in 1993.

We cannot assure you that the regulatory filings or corporate records which we have not been able to locate will be available in the future, or that the information gathered in this regard is correct, or that the regulatory filings were done in accordance with applicable law or at all or in timely manner. Additionally, while no notices, disputes or penalties have arisen or been imposed in connection with these corporate records and other documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that no notices, dispute or penalties will arise or be imposed on us in this regard in the future.

38. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have an adverse effect on our business.

We face the risk of loss resulting from product liability, contractual, warranty, and other lawsuits, whether or not such claims are valid. In addition, our insurance may not be adequate to cover such claims or may not be available to the extent we expect. For details of the insurance policies that we maintain, see "*Our Business – Insurance*" on page 226. A successful claim that exceeds or is not covered by our policies could require us to pay substantial sums. Our Company has maintained various insurance policies, in amounts that we believe are commercially appropriate. The table below sets out the total insured net assets as well as the percentage of insurance coverage as of March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Insurance Coverage (in ₹ million)	1,274.00	641.07	679.82
Net Assets as per Restated Financials (in ₹ million)*	1,428.96	795.03	711.26
Percentage of insurance coverage (in %)	89.16	80.63	95.58

* *Sum of Property, Plant and Equipment (net block), Capital Work-in-Progress, Net Intangible assets*

We maintain insurance policies that we believe are customary for companies operating in our industry and which are necessary for our business. Our principal types of insurance coverage include, *inter alia*, contractor's plant and machinery policy, burglary insurance policy, standard fire and special perils policy, business secure insurance policy, errors and omission liability insurance policy, and broadform liability insurance policy. We typically obtain motor insurance policy and marine export import insurance open policy for the transit of goods. We have also obtained a group mediclaim policy, group personal accident insurance, and employees compensation policy for our employees. Although, we attempt to obtain coverage for and mitigate our liability for damages arising from negligent acts, errors or omissions through insurance policies, our liability may sometimes not be covered as a result of the limitations of liability set forth in our insurance policies. In such event, our insurance policies may not protect us from liability for damages, which may lead to financial liability and other adverse consequences.

Further, while we believe that adequate insurance coverage shall be available in the future, there can be no assurance that such coverage shall be available at costs and terms acceptable to us or that such coverage shall be adequate with respect to future claims that may arise. If we are not able to adequately insure against the risks we face, or the insurance coverage we have taken is inadequate to cover our losses, our business, financial condition and results of operations could be adversely affected. In addition, our insurance policies are subject to annual review, and there can be no assurance that we shall be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have an adverse effect on our financial condition, results of operations and cash flows.

39. Our Company may not be able to secure additional funding in the future. In the event our Company is unable to obtain sufficient funding, it may delay our Company's growth plans and have a material adverse effect on the business, cash flows and financial condition of our Company.

From time to time, our Company's plans may change due to changing circumstances, new business developments, new challenges or investment opportunities or unforeseen contingencies. If our Company's plans change or if our Company is required to adapt to changing circumstances or business realities, our Company may need to obtain additional financing to meet inter alia capital expenditure requirements. Such financing may be in the form of debt funding, which may be raised through borrowings from commercial banks, issue of debentures or other debt securities. If our Company raises funds in future by incurring additional debt, the interest and debt repayment obligations of our Company will increase, and our Company may be subject to supplementary or new covenants, which could limit the ability to access cash flow from operations and/or other means of financing by our Company. Moreover, these additional funds could come at a higher cost which may impact the profitability of our Company. Further, our Company cannot assure you that it will be able to obtain adequate financing to find future capital requirements on acceptable terms, in time.

40. The market share of the unorganized industry in the pre-engineered steel buildings industry is significantly higher as capital investment is not required for entering the market.

According to the CRISIL Report, the unorganised market in the PEB industry accounts for 55-60% of the overall market, as high capital investment is not required for entering the PEB market. As of Financial Year 2024, the organised industry held a 40-45% revenue market share in the overall industry *(Source: CRISIL Report)*. While, the organised sector has an edge over the unorganised sector in terms of a reliable track record, maximised supply chain capabilities, quality engineering services and products due to which there has been a growing shift towards the organised sector, due to the increasing demand for standardised pre-engineered structures, the scope of product differentiation becomes limited, which puts additional price pressure and exposes the key players to high competitiveness *(Source: CRISIL Report).* Also see "*Our Business - Competition*" on page 227. Our Company may not be able to increase its market share due to factors such as increased competition in the PEB industry.

41. We may not achieve the benefits we expect from recent or future acquisitions and business partnerships, which may have an adverse effect on our profitability and ability to manage our business prospects.

We may fail to identify or secure suitable acquisition or investment opportunities or our competitors may capitalize on such opportunities before we do. Moreover, identifying such opportunities could demand substantial management time and resources, and negotiating and financing acquisitions and establishing business partnerships might involve significant costs and uncertainties. If we fail to successfully source, execute and integrate acquisitions and investments in the future, our overall growth may be impaired, and our business operations, financial performance and prospects may be materially and adversely affected. For instance, we had acquired 51% in Modtech Machines Private Limited ("**Modtech**") through a share subscription sum shareholders agreement dated May 18, 2021 entered into by us with Modtech and its shareholders. However, due to global recessionary conditions in the segment dealt with by Modtech, our Company's performance was impacted. We exited Modtech by selling its shares to another investor though a share purchase agreement dated May 24, 2023.

42. Our Statutory Auditors have made certain comments in respect of our Company's Special Purpose Consolidated Financial Statements for the Financial year ended on March 31, 2023 & March 31, 2022.

Our Statutory Auditors, in respect of our Company's Special Purpose Consolidated Financial Statements for the Financial year ended on March 31, 2023 & March 31, 2022, have drawn attention to the following qualification:

Particulars	Qualification
Fiscal 2023, Fiscal 2022	"*However, there was one Qualification each in the Audit Reports issued by us on the Special Purpose Consolidated Financial Statements for the Financial year ended on March 31, 2023 & March 31, 2022, which required adjustment in the Restated Consolidated Financial Statements which is accounting policy of providing for Long term employee benefits as per the Indian Accounting Standard 19 for subsidiary Modtech Machines Private Limited (which ceased to exist as subsidiary from 23rd May 2023). The company has made adjustments of providing long term employee benefits expense for the said subsidiary on accrual basis in the Restated Consolidated Financial Statements. As the said subsidiary is no longer a subsidiary of the Company, said adjustment does not have any impact on the Company's Profitability or Financial Statements*."

43. ***We may not accomplish our growth strategy, and our business may suffer if we fail to manage our growth efficiently or effectively, which could adversely affect our reputation, results from operations, financial conditions, cash flows and reduce our profitability.***

Our operations have expanded as a result of our strategy to expand into domestic and international markets, and we aim to continue to explore viable means to consolidate the position of our operations, competitively positioning us in the domestic and overseas market. There can be no assurance, however, that we shall be successful in our expansion plans. If we fail to improve our existing systems or controls or to manage growth and expansion effectively, or the cost of such expansion or growth exceeds the revenues generated by our efforts, we may fail in our strategy and our business, financial condition and results of operations could be adversely affected. We expect our future growth to place significant demands on our resources as well as our management. This shall require us to continuously evolve and improve our operational, financial and internal controls across our organization.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Leverage our leading position in the domestic PEB market to capitalize on the growth expected in the industry and continue to strengthen and consolidate our leadership position in the self-supported steel roofing market.
- Augment our manufacturing facilities in our Phenix Division to better serve our customers by setting up a strategically located manufacturing facility.
- Increase revenue contribution of exports by focussing on USA and other key markets.
- Expand our business through strategic alliances or inorganic opportunities.

These strategies are subject to certain risks and uncertainties. Our strategies may not succeed due to various factors, including our inability to reduce our operating costs, our failure to develop new products and services with sufficient growth potential as per the changing market preferences and trends, our failure to effectively market these new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. Any failure on our part to implement our strategies due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations. For further details of our strategies, see "*Our Business*" on page 188.

There can be no assurance that our personnel, systems, procedures and controls shall be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of the challenges highlighted above may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we shall be able to execute our strategies on time and within the budget, as and when estimated by the Company.

44. ***We are required to comply with various government regulations, including obtaining licenses, permits, approvals and consents under certain environmental laws, which are critical for operating our Manufacturing Facilities. If we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, results of operations and cash flows may be adversely affected.***

We have two Manufacturing Facilities located at Sanand, Gujarat and Cheyyar, Tamil Nadu. Our operations are subject to extensive government regulations, and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India and in respective regions that we have operations, generally for carrying out our business, producing and marketing our products and for our facilities. For details of applicable regulations and approvals relating to our business and operations, see "*Government and Other Approvals*" on page 387.

We may, in the future, be subjected to regulatory actions for violations including closure of our Manufacturing Facilities, imposition of penalties and other penal actions against our Company and management, which may have a negative impact on our business, reputation, results of operations and cash flows. Further, any failure to comply with environmental laws and/or the terms and conditions of approvals issued under such environmental laws and regulations could also impact our ability to obtain or renew the approvals with respect to our Manufacturing Facilities in a timely manner or at all and may also adversely affect our ability to operate our units and consequently affect our results of operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

We are also subject to a broad range of safety, health, labour, and workplace related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable and could adversely affect our reputation. The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Under the legal framework we operate in, we are also required to obtain and maintain a number of statutory and regulatory permits, approvals, licenses, registrations and permissions for carrying out our business and operations.

45. There are outstanding litigations pending against us, our Subsidiaries, Directors and Promoters, which, if determined adversely, could affect our operations. We could suffer significant litigation expenses in defending these claims and could be subject to significant damage, compensation, or other remedies, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

In the ordinary course of our business, we may receive liability and general commercial claims related to the conduct of our business and the performance of our products and services, employment claims and other litigation claims. Litigation resulting from these claims could be costly and time-consuming and could divert the attention of management and key personnel from our business operations.

There are certain outstanding legal proceedings against our Company, Subsidiaries, Directors and Promoters. These proceedings are pending at different levels of adjudication before various courts, tribunals, quasi-judicial authorities and appellate tribunals and, if determined adversely, could adversely affect our reputation, business, results of operations and financial condition.

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as disclosed in "*Outstanding Litigation and Material Developments*" on page 382, in terms of the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five Fiscals	Material Civil Proceedings	Aggregate amount involved (*in ₹ million*)*
Company						
Against our Company	Nil	30	Nil	N.A.	Nil	902.92
By our Company	Nil	N.A.	N.A.	N.A.	3	90.25
Directors (Non-Promoter Directors)						
Against our Directors	Nil	13	Nil	N.A.	Nil	34.32
By our Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Promoters (including the Promoter Directors)						
Against our Promoters	Nil	1	Nil	Nil	Nil	6.24
By our	Nil	N.A.	N.A.	N.A.	Nil	Nil

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five Fiscals	Material Civil Proceedings	Aggregate amount involved (*in ₹ million*)*
Promoters						
Subsidiaries						
Against our Subsidiaries	Nil	3	Nil	N.A.	1	56.81
By our Subsidiaries	1	N.A.	N.A.	N.A.	3	67.14
Group Companies						
Outstanding litigation that has a material impact on our Company	Nil	Nil	N.A.	N.A.	Nil	Nil

There can be no assurance that these legal proceedings shall be decided in favour of our Company, Subsidiaries, Directors or Promoters or Group Companies, as the case may be, or that no further liability shall arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition. For further details of certain material legal proceedings involving our Company, our Subsidiaries, our Promoters, our Directors and our Group Companies, see "*Outstanding Litigation and Material Developments*" beginning on page 382.

46. The success of our business depends substantially on our strong management, including our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel, and on our operational workforce. Our inability to retain them or to recruit highly skilled technical personnel that are necessary for our business could adversely affect our business.

Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our Senior Management Personnel as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Directors, Key Managerial Personnel and our Senior Management Personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management Personnel are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. In Fiscal 2024, Fiscal 2023 and Fiscal 2022, our Company's attrition rate was 19.09%, 22.10% and 19.81%respectively. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in the pre-engineering building and roofing solutions industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see "*Our Management*" on page 246.

47. Our Promoters, certain of our Directors, Key Managerial Personnel, Senior Management Personnel and Promoter Group may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoters Group, as well as to the extent of any dividends, perquisites, employee stock options or other distributions on such Equity Shares. Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Vipinbhai Kantilal Patel, Birva Chirag Patel and Aditya Vipinbhai Patel who are the Promoters of the Company also have an interest in the promotion or formation of our Company. Further, certain of our Directors are also on the board of certain Subsidiaries and accordingly may be deemed to be interested to the extent of the sitting fees, commission and remuneration payable to them by such Subsidiaries. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*", "*Offer Document Summary- Summary of Related Party Transactions*" and "*Our Management*" beginning on pages 87, 266, 24 and 246, respectively**.**

48. Our Promoters and certain members of our Promoter Group shall continue to retain significant control in our Company after the Offer, which shall allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

As on date of this Draft Red Herring Prospectus, our Promoters and certain members of our Promoter Group collectively hold 50,000,000 Equity Shares representing 100.00%of the pre-issued, subscribed and paid-up Equity Share capital of our Company. After the completion of this Offer, our Promoters and certain members of our Promoter Group shall continue to hold significant shareholding in our Company. As a result, our Promoters and certain members of our Promoter Group shall continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders shall be unable to affect the outcome of such voting. Our Promoters and certain members of our Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender Offer or otherwise attempting to obtain control of us. We cannot assure that our Promoters and certain members of our Promoter Group shall act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and certain members of our Promoter Group shall act to resolve any conflicts of interest in our favour. If our Promoters and certain members of our Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters shall not be sold any time after the Offer,

49. One of our Promoters does not have adequate experience in our line of business and has not actively participated in the business activities we undertake, which may have an adverse impact on the management and operations of the Company.

One of our Promoters, Leenaben Vipinbhai Patel does not possess the adequate experience and does not actively participate in the business activities of our Company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company.

50. We have not yet placed orders in relation to the capital expenditure for the purchase of equipment and machinery for our Manufacturing Facilities. In the event of any delay in placing the orders, or in the event the vendor is not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.

We intend to utilize a portion of the Net Proceeds for funding capital expenditure requirements towards the purchase of equipment and machinery for our Manufacturing Facilities. While we have procured quotations from vendors in relation to the capital expenditure to be incurred, we have not placed orders for the capital expenditure proposed to be funded from the Net Proceeds and have not entered into any definitive agreements with the vendors in relation to such capital expenditure as of the date of this Draft Red Herring Prospectus. For details in respect of the foregoing, see "*Objects of the Offer*" on page 109. Such bids are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such bid or that there will not be cost escalations. Further, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, design changes and technological changes. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment/ machinery or in the event the vendor is not able to provide the equipment/ machinery in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure the requisite equipment/ machinery from the vendors from whom we have procured bid, we cannot assure you that we may be able to identify alternate vendor to provide us with the materials which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

51. The objects of the Offer for which funds have been raised and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Offer". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected.

We intend to utilise the Net Proceeds of the Offer as set forth in "*Objects of the Offer*" on page 109. The funding requirements mentioned for the objects of the Offer are purely based on internal management estimates and have not been appraised by any bank or financial institution. They are based on current conditions and are subject to change in external circumstances such as financial and market conditions, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment due to variation in prices which may not be within the control of our management. Our actual expenditure may exceed our internal estimates which may have a bearing on our expected revenues and earnings further requiring us to reschedule our planned expenditure. Further, the deployment of the funds towards the Objects of the Offer is entirely at the discretion of our management. The exact amounts that shall be utilised from the Net Proceeds towards the stated Objects shall depend upon our business plans, market conditions, our Board's analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Accordingly, use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business.

However, the deployment of the Gross Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations. For further details, see "*Objects of the Offer*" beginning on page 109.

52. Variation in the utilisation of Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use the net proceeds raised pursuant to the Fresh Issue as set forth under "*Objects of the Offer*" on page 109. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. However, we will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on the Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

53. We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the Net Proceeds from the Offer for Sale.

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be entitled to the Net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholder, and our Company will not receive any proceeds from the Offer for Sale.

54. We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and/ or approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, Dividend Policy, and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no assurance that our Equity Shares will appreciate in value.

55. Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain customers and subject us to significant legal liability and reputational harm, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. For example, misconduct by employees could involve the improper use or disclosure of confidential information, which could result in costly litigation and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures and internal policies, the precautions we take to prevent and detect such activity may not be effective in all cases and we may be unable to adequately prevent or deter such activities in all cases. While we have not experienced such issues in the past, there could be instances of fraud and misconduct by our employees which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, including claims for alleged negligence, in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurers, there can be no assurance that we shall recover any amounts lost through such fraud or other misconduct.

We may also be subject to theft or embezzlement by our employees, suppliers or third-party transportation or logistics services provider, which may result in loss of our inventory. Although, there have been no major incidents of theft or embezzlement in Fiscal 2024, Fiscal 2023 and Fiscal 2022 and we have set up various security measures at our Manufacturing Facilities, such as deployment of security guards and operational processes such as periodic stock taking, there can be no assurance that we will not experience any theft, embezzlement, loss of stock in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition and cash flows.

56. Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CRISIL Report or extracts of the CRISIL Report prepared by CRISIL, which is not related to our Company, Directors, Promoters, KMPs, SMPs or the Book Running Lead Managers. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CRISIL Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CRISIL Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, you should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. See "*Industry Overview*" on page 140. For the disclaimers associated with the CRISIL Report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation- Industry and Market Data*" on page 15.

57. Information relating to the historical installed capacities of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the chartered engineer verifying such information and future production and capacity utilisation may vary.

Information relating to our installed capacities and the historical capacity utilisation of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates, including assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. While we have obtained a certificate dated September 20, 2024 from Chetan Brahmania, independent chartered engineer, in relation to installed and utilized capacity and actual production levels, future capacity utilisation rates may vary significantly from the historical capacity utilisation rates. In addition, capacity utilisation is calculated differently in different companies, countries, industries and for the kinds of products we manufacture. Actual utilisation rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. We make significant decisions, including determining the levels of business that we shall seek and accept, production schedules, personnel requirements and other resource requirements, based on our internal estimates and targets and strive to ensure that our production capacity is, at all times, utilized at optimum levels. If we are unable to fully utilize our installed capacities in the future, there could be a negative impact on our cost and profitability and thereby adversely affecting our financial condition. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilisation information for our existing facilities included in this Draft Red Herring Prospectus. For further details of our production and capacity utilization, see "*Our Business*" on page 188.

58. We may be exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems which may have an adverse effect on our business and results of operations.

We have deployed information technology systems and accounting system to support our business processes, including sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. We have implemented SAP, CRM and other employee related software. These technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Such data security breaches could lead to the loss of data related to our products and services and other proprietary information could be compromised. These systems are also susceptible to outages due to telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions shall require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

59. We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.

We track certain operational metrics, including transaction volumes and key business metrics such as EBIT, EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Return on Capital Employed, Net Debt, Net Debt to EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio and Net Asset Value (per Equity Share) among others, with internal systems and tools which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, results of operations and financial condition would be adversely affected.

60. Any downgrading of our credit rating by a credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. A decrease in these credit ratings could limit our access to capital markets and increase our borrowing costs, which could materially and adversely affect our financial condition and operating results. The table below sets out the credit ratings assigned by CRISIL Ratings to our long-term bank facilities and our short term bank facilities for the periods set out below:

Date of the credit rating letter	Long term rating	Short term rating
April 19, 2024	CRISIL A-/ Stable	CRISIL A2+
October 26, 2023	CRISIL A-/ Stable	CRISIL A2+
April, 2023	CRISIL BBB+	CRISIL A2
July 5, 2022	CRISIL BBB/ Positive	CRISIL A3+

While we have not had any credit rating downgrades in Fiscal 2024, Fiscal 2023 and Fiscal 2022, our credit rating may be downgraded in the future due to various factors, including factors which may be beyond our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

61. Upon listing, we may be subject to additional costs/unanticipated expenses arising from the obligations that a listed public company has to comply with, under the applicable regulatory framework in India.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed public company, we shall incur legal, accounting, insurance and other expenses that we have not incurred as an unlisted public company, including costs associated with listed company reporting and corporate governance requirements. We expect that rules and regulations shall increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our senior management. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting, fines, sanctions and other regulatory action and potentially civil litigation. Any such action could adversely affect our business, financial condition and results of operations and cash flow.

For instance, we shall be subject to the Listing Regulations which shall require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we shall need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention shall be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations, and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but there can be no assurance that we shall be able to do so in a timely and efficient manner.

External Risks

62. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic development and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

India has experienced instances of social, religious and civil unrest and hostilities between neighboring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

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

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

Natural disasters (such as typhoons, cyclones, storms, tsunamis, fires, explosions, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, military actions, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations.

Recent developments in the ongoing conflict between the state of Israel and Iran has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

India has experienced instances of social, religious and civil unrest and hostilities between neighbouring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus. Any future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors. Any slowdown or perceived slowdown in the economic growth of the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

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

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products and services to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

65. A slowdown in our exports due to tariffs and trade barriers and international sanctions could adversely affect our business, financial condition and results of operations.

A portion of our revenue is derived from our international business. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the countries or regions (like the European Community) where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. In February 2022, hostilities between Russia and the Ukraine commenced, which has led to the imposition of sanctions of various Russian interests (and in some cases Belarus) by the European Union, Australia, Canada, Japan, New Zealand, Switzerland, South Korea, the United Kingdom and the United States. Any such imposition of trade barriers or international sanctions may have an adverse effect on our business, financial condition and results of operations.

66. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India announced the union budget for 2025, following which the Finance (No.2) Act, 2024 was enacted which inter alia increased the rate of taxation of short term capital gains and long term capital gains arising from transfer of an equity share. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

Further, the Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely affect our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our businesses in the future.

67. We may be affected by competition laws in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition ("**AAEC**"). Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an AAEC is deemed void and attracts substantial monetary penalties.

Further, any agreement among competitors which directly or indirectly (i) involves determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) or shares the market or source of production or provision of services by way of geographical area, type of goods or services or number of customers in the relevant market; (iii) directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void.

Further, the Competition Act prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act which came into effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, certain agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. The impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects. Recently, the Government of India has notified a provision related to investigation procedure whereby, regulator CCI can issue show cause notices to parties concerned as well as grant them time to respond before passing a final order.

The Competition Act was amended on April 11, 2023, the Competition (Amendment) Act, 2023 has been enacted to increase the ease of doing business in India and enhance transparency. The Act requires notification of transactions that exceed a global deal value of ₹ 2,000 crores, subject to the target having "substantial business operations" in India, formalizes a lower threshold of 'control', i.e., the ability to exercise material influence, in any manner, over the management or affairs or strategic commercial decisions, to exempt combinations from the standstill obligations under Section 6(2A) of the Act, if the combinations involve: (a) an open offer; or (b) an acquisition of shares or securities, through a series of transactions on a regulated stock exchange etc.

68. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition.

The Restated Consolidated Financial Statements for Fiscal 2024, Fiscal 2023, and Fiscal 2022, included in this Draft Red Herring Prospectus are derived from audited consolidated financial statements as of and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS the provisions of the Companies Act, 2013 and other accounting principles generally accepted in India and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or US GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which you may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. You should review the accounting policies applied in the preparation of the Restated Consolidated Summary Statements and consult your own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

69. We may be impacted by an adverse change in India's sovereign credit rating by a domestic or international rating agency.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy or a decline in India's foreign exchange reserves. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

Risks related to the Offer and the Equity Shares

70. Investors may not be able to immediately sell any of the Equity Shares they subscribe to in this Offer on an Indian stock exchange.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been issued and allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, the Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with the depository participant. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity and safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities.

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

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of Listed Securities, exemptions from shortlisting and frequently asked questions (FAQs), among other details, refer to the websites of the NSE and the BSE.

72. The Offer Price, market capitalisation to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.

Our market capitalisation (based on the Offer Price) to revenue (Fiscal 2024) multiple is [●] times; our market capitalisation (based on the Offer Price) to price to earnings ratio (based on profit after tax for Fiscal 2024) is [●] at the upper end of the Price Bank.

The Offer Price will be determined by our Company in consultation with BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with Book Running Lead Manager through the Book Building Process, and will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" beginning on page 125 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. 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 valuation exercise undertaken for the purposes of the Offer by our Company, in consultation with the Book Running Lead Managers, is not based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, 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. As a result, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

73. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

On listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

74. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Furthermore, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of India has amended the Income Tax Act to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax on such payments at the applicable rate. However, non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Furthermore, the Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, results of operations, financial condition and cash flows. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

75. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after the Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the bid amount on submission of the bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. RIIs can revise or withdraw their Bids during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition and results of operations may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing. QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

76. The determination of the Price Band is based on various factors and assumptions and the Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.

The determination of Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Managers through the book building process prescribed under the SEBI ICDR Regulations.

The Offer Price will be based on numerous factors, as described under "*Basis for Offer Price*" beginning page 125 may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price

77. Any future issuance of Equity Shares or convertible securities or other equity linked instruments by us may dilute your shareholding, and significant sales of Equity Shares by our major shareholders, may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering and grants of stock options under our employee stock option plan, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur after the completion of this Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

78. Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the exceptions specified by the RBI, then the approval of the RBI will be required for such transaction to be valid. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Furthermore, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the GoI, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 435. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows, results of operations, financial condition and prospects.

79. Foreign investors may have difficulty enforcing judgments against us or our management.

The enforcement of civil liabilities by overseas investors in our Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that we are incorporated under the laws of the Republic of India and all of our executive officers and Directors reside in India. As a result, it may be difficult to enforce the service of process upon us and any of these persons outside of India or to enforce outside of India, judgments obtained against us and these persons in courts outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code ("**Civil Code**") on a statutory basis. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong, among other countries, have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The suit must be brought in India within 3 years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

80. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India is required to offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

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

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

82. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

83. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

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

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

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

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

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

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

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

86. The insolvency laws of India may differ from those of other jurisdictions with which investors are familiar.

As we are established in India under the Companies Act, any insolvency proceedings relating to us is likely to involve Indian insolvency laws (including the Insolvency and Bankruptcy Code, 2016 of India), the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which investors are familiar.

SECTION III – INTRODUCTION

SUMMARY FINANCIAL INFORMATION

The following tables set out the summary financial information derived from the Restated Consolidated Financial Statements. The summary financial information presented below should be read in conjunction with "*Restated Consolidated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 280 and 347, respectively.

[*The remainder of this page has intentionally been left blank*]

RESTATED STATEMENTS OF ASSETS AND LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	(in ₹ million)		
Assets			
Non-current assets			
Property, plant and equipment	755.33	743.29	649.28
Capital work in progress	662.26	18.57	18.07
Other intangible assets	11.37	33.17	43.91
Right of use assets	5.36	11.98	15.34
Financial assets			
-Investments	68.99	51.17	56.69
-Loans	3.00	3.00	3.00
-Other financial assets	35.20	44.48	68.59
Total Non-current assets	**1,541.51**	**905.66**	**854.88**
Current Assets			
Inventories	1,958.02	1,746.33	2,035.80
Financial assets			
-Trade receivables	1,389.60	1,192.15	1,200.32
-Cash and cash balances	734.41	981.99	514.35
-Bank balances other than above	257.91	274.09	410.20
-Loans	4.56	2.78	3.20
-Other financial assets	2.37	3.15	1.84
Other current assets	442.73	481.72	450.52
Total current assets	**4,789.60**	**4,682.21**	**4,616.23**
Total Assets	**6,331.11**	**5,587.87**	**5,471.11**
Equity and Liabilities			
Equity			
Equity share capital	500.00	200.00	200.00
Other equity	1,830.32	1,605.12	1,250.95
Total equity	**2,330.32**	**1,805.12**	**1,450.95**
Non-controlling interest	**-**	**(9.64)**	**2.65**
Non-current liabilities			
Financial liabilities			
-Borrowings	438.83	892.70	663.52
-Lease liabilities	2.01	5.51	10.04
Deferred tax liabilities (Net)	43.62	49.82	55.27
Total Non-current liabilities	**484.46**	**948.03**	**728.83**
Current liabilities			
Financial liabilities			
-Borrowings	1,609.59	594.78	332.31
-Lease liabilities	4.43	8.09	6.04
-Trade payables			
-(a)Total outstanding dues of micro enterprises and small enterprises	26.12	130.92	52.91
- (b)Total outstanding dues of creditors other than micro enterprises and small enterprises	907.02	1,210.24	1,964.39
-Other financial liabilities	124.49	104.76	81.49
Short-term provisions	104.70	134.20	123.22
Other current liabilities	739.98	661.37	728.32
Total current liabilities	**3,516.33**	**2,844.36**	**3,288.68**
Total Equity and Liabilities	**6,331.11**	**5,587.87**	**5,471.11**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME)

(in ₹ millions, except per share data and unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	7,950.60	8,804.70	6,882.25
Other income	132.00	85.34	106.98
Total Income	8,082.60	8,890.04	6,989.23
Expenses			
Cost of materials consumed and operational expenses	5,771.69	6,563.38	5,167.30
(Increase)/ Decrease in inventories of finished goods. Stock in trade and work in progress	(37.71)	116.39	(214.80)
Employee benefits expense	809.09	753.52	705.62
Finance costs	230.58	191.79	189.61
Depreciation and amortisation expense	88.80	103.01	105.85
Other expense	611.31	707.11	805.79
Total Expenses	**7,473.76**	**8,435.20**	**6,759.37**
Restated Profit before tax	608.84	454.84	229.86
Tax Expense			
Current tax	157.65	131.37	82.88
Deferred tax change/(credit)	(5.15)	(5.45)	(16.15)
Total tax expense	152.50	125.92	66.73
Restated Profit for the year	456.34	328.92	163.13
Restated Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans	(11.03)	(4.11)	(3.53)
Restated Other comprehensive income/ (loss) for the year, net of tax	(11.03)	(4.11)	(3.53)
Restated total comprehensive income for the year, net of tax	**445.31**	**324.81**	**159.60**
Less/ (Add) Non Controlling Interest	**(2.25)**	**(12.00)**	**(37.47)**
Total comprehensive income for the year (After Non Controlling Interest)	**447.56**	**336.81**	**197.07**
Restated earnings per equity share (nominal value of shares ₹10 each (Previous years ₹10 each)			
-Basic earnings per share (in ₹)	**9.17**	**6.82**	**4.01**
-Diluted earnings per share (in ₹)	**9.17**	**6.82**	**4.01**

RESTATED STATEMENT OF CASH FLOWS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(in ₹ million)		
Cash flows from operating activities:			
Restated Profit before tax	608.84	454.84	229.86
Add/(Less): Exceptional Items	-	-	-
Add/(Less): Other Comprehensive Income	(11.03)	(4.11)	(3.53)
	597.81	**450.73**	**226.33**
Adjustments for:			
Depreciation and Amortisation	88.80	103.01	105.85
(Gain)/loss on Liquid Funds (Net)	(44.79)	(13.58)	-
Reversal on Sale of subsidiary	60.42	-	-
Interest Paid	229.63	190.28	187.95
Interest on Lease Liabilities*	0.95	1.51	1.66
Loss/(Profit) on Sale of Assets	(0.40)	(0.84)	(0.52)
Profit on Sale of Investments	(1.77)	(0.08)	(3.01)
Unrealised (gain)/loss of fair value on equity instruments*	(13.31)	5.51	(10.77)
Dividend Income	(0.52)	(0.52)	(0.25)
Exchange rate fluctuation and other related adjustments arising on consolidation	27.59	14.38	(2.98)
Fair Value Loss on Sundry Deposits*	-	-	1.41
Interest income on Security Deposits and EMD*	(3.57)	(2.39)	(1.42)
Interest income	(52.11)	(45.23)	(40.48)
Total	290.92	252.05	237.44
Operating profit before working capital changes	888.73	702.78	463.77
Adjustments for:			
(Increase) / Decrease in trade and other receivables	(128.65)	138.28	(474.27)
(Increase) / Decrease in Inventories	(211.69)	289.47	(759.16)
Increase / (Decrease) in trade payables & other liabilities	(408.02)	(676.14)	904.00
Increase / (Decrease) in Other current liabilities	78.61	(66.95)	293.65
Increase / (Decrease) in Other Financial liabilities	19.73	23.27	4.44
Increase / (Decrease) in Short Term Provision	(5.38)	0.21	17.48
Total	(655.40)	(291.86)	(13.86)
Cash generated from operations	233.33	410.92	449.91
Direct taxes paid - Net of refunds	(181.30)	(121.22)	(83.23)
Total	**(181.30)**	**(121.22)**	**(83.23)**
Net cash flow from Operating Activities	**52.03**	**289.70**	**366.68**
Cash flows from investing activities :			
Purchase of fixed assets	(780.79)	(181.96)	(77.83)
Proceeds from Liquid Funds (Net)	44.79	13.58	-
(Purchase) / sale of Investment	(2.74)	0.09	(12.75)
Sale of Fixed Assets	65.08	2.68	2.88
Loans and advances	(1.78)	0.42	22.08
Dividend Income	0.52	0.52	0.25
Interest Received	52.11	45.23	40.48
Net cash flow from Investing Activities	**(622.81)**	**(119.44)**	**(24.89)**
Cash flows from Financing Activities :			
Proceeds from Borrowings (Net)	119.94	478.39	(139.39)
Proceeds from Term Loan	441.00	13.26	-
Repayment of Lease Liability*	(8.11)	(3.99)	(5.86)
Finance cost paid	(229.63)	(190.28)	(187.95)
Net cash from Financing Activities	**323.20**	**297.38**	**(333.20)**
Net increase/(decrease) in cash and cash equivalents	**(247.58)**	**467.64**	**8.59**
Cash and cash equivalents at the beginning of the year	**981.99**	**514.35**	**505.76**
Cash and cash equivalents at the close of the year	**734.41**	**981.99**	**514.35**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(in ₹ million)		

* *These amounts pertain to adjustments on conversion to IND AS from IGAAP*

THE OFFER

The details of the Offer are summarised below:

Equity Shares Offered	
Offer of Equity Shares of face value of ₹10 each(7)	Up to [●] Equity Shares of ₹ 10 each aggregating up to ₹6,530.00 million
of which	
Fresh Issue(1)(7)	Up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ 3,250.00 million
Offer for Sale(2)	Up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ 3,280.00 million
which includes	
Employee Reservation Portion(4)(8)(9)	Up to [●] Equity Shares of ₹ 10 each aggregating to up to ₹[●] million
Net Offer	Up to [●] Equity Shares of ₹ 10 each aggregating to up to ₹[●] million
Of which	
QIB Portion (3)(4)	Not less than [●] Equity Shares of ₹ 10 each
of which	
- Anchor Investor Portion	Up to [●] Equity Shares of ₹ 10 each
- Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of ₹ 10 each
of which	
- Mutual Fund Portion (5% of the Net QIB Portion)	[●] Equity Shares of ₹ 10 each
- Balance for all QIBs including Mutual Funds	[●] Equity Shares of ₹ 10 each
Non-Institutional Portion(4)(5)(6)	Not more than [●] Equity Shares of ₹ 10 each
Of which	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size between ₹200,000 to ₹1,000,000	[●] Equity Shares of ₹ 10 each
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹1,000,000	[●] Equity Shares of ₹ 10 each
Retail Portion(5)(6)	Not more than [●] Equity Shares of ₹ 10 each
Pre- and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	50,000,000 Equity Shares of ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of ₹ 10 each
Use of Net Proceeds by our Company	For details of the use of proceeds from the Fresh Issue, see "*Objects of the Offer*" on page 109. Our Company will not receive any proceeds from the Offer for Sale.

(1) Our Board has authorised the Offer, pursuant to a resolution dated March 7, 2024 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated June 6, 2024. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated April 2, 2024.

(2) The details of authorization by the Selling Shareholders approving their participation in the Offer for Sale is as set out below.

S. No.	Name	Date of consent letter	Number of Offered Shares
1.	Girishbhai Manibhai Patel	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 1,326.00 million
2.	Chirag Hasmukhbhai Patel	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 1,101.00 million
3.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 123.00 million
4.	Birva Chirag Patel	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 375.00 million
5.	Aditya Vipinbhai Patel	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 130.00 million
6.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 75.00 million
7.	Umaben Girishbhai Patel	April 12, 2024	Up to [●] Equity Shares aggregating up to ₹ 150.00 million

The Selling Shareholders confirm that the Equity Shares being offered by them are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8A of the SEBI ICDR Regulations. In accordance with Regulation 8A of the SEBI ICDR Regulations; (i) the Selling Shareholder holding, individually or with persons acting in concert, more than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 50% of their respective pre-issue shareholding (on a fully-diluted basis). For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures - Authority of the Offer" on page 395.

(3) Our Company, in consultation with the BRLMs, may allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. In case of under-subscription or non- Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIBs (other than Anchor Investors) in proportion to their Bids. See "Offer Procedure" on page 416.

(4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB portion would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, the BRLMs and the Designated Stock Exchange. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹200,000 (net of Employee Discount) in the Employee reservation portion. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 100% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 100% of the Fresh Issue. For further details, see "Offer Structure" on page 412.

(5) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(6) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not more than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(7) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement of specified securities, aggregating up to ₹650.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

(8) Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. For further details, see "Offer Structure" on page 412.

(9) Our Company may, in consultation with the BRLMs, offer an Employee Discount of ₹ [●] per Equity Share, which shall be announced two Working Days prior to the Bid/Offer Opening Date

For further details, see "*Offer Structure*", "*Terms of the Offer*" and "*Offer Procedure*" on pages 412, 406 and 416 respectively.

GENERAL INFORMATION

Our Company was originally incorporated as "*Manibhai and Brothers (Construction) Private Limited*" a private limited company under the Companies Act, 1956 through a certificate of incorporation dated June 16, 1981, issued by the RoC. Thereafter, the name of the Company was changed to "*M & B Engineering Private Limited*" pursuant to a Board resolution dated September 5, 2006 and a resolution passed in the extra ordinary general meeting of the Shareholders held on November 7, 2006 and consequently a fresh certificate of incorporation dated November 22, 2006 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli to reflect the change in name.

Subsequently, our Company was converted into a public limited company, pursuant to a resolution passed in the extra ordinary general meeting of the Shareholders held on March 24, 2011. Consequently, the word 'Private' was deleted from the name of our Company and the name was changed to "*M & B Engineering Limited*" pursuant to a Shareholders' resolution dated March 24, 2011 and Board resolution dated March 5, 2011. Consequently, a fresh certificate of incorporation dated March 30, 2011 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli to reflect the change in name.

Registered and Corporate Office of our Company

MB House, 51,
Chandrodaya Society,
Opp. Golden Triangle,
Stadium Road,
Post Navjivan,
Ahmedabad – 380 014,
Gujarat, India

Company registration number and Corporate Identity Number

Company registration Number: 004437

Corporate Identity Number: U45200GJ1981PLC004437

Registrar of Companies

Our Company is registered with the RoC, Gujarat, at Ahmedabad, situated at the following address:

ROC Bhavan,
Opposite Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad 380 013, Gujarat, India

Filing

A copy of this Draft Red Herring Prospectus shall be uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI master circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. It will also be filed with the SEBI at:

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Maharashtra, India

The Red Herring Prospectus and Prospectus, respectively, will be filed with the RoC in accordance with Section 32 read with Section 26 of the Companies Act, along with the material contracts and documents referred to in each of the Red Herring Prospectus and the Prospectus, respectively, and through the electronic portal.

Board of Directors

The table below sets out the details of the constitution of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Chirag Hasmukhbhai Patel	Chairman and Joint Managing Director	00260514	Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi,

Name	Designation	DIN	Address
			Ahmedabad, Bopal, Gujarat - 380 058
Malav Girishbhai Patel	Joint Managing Director	00260602	Nisarg Bunglow, Spring Valley Road, Behind Karnavati Club, S.G. Highway, Ahmedabad, Gujarat – 380 058
Vipinbhai Kantilal Patel	Non-Executive Director	00260734	2, Nandanvan, Nr. Shaym Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059
Girishbhai Manibhai Patel	Whole-time Director	00261624	Nisarg, Opp. Ace Tennis Club, B/h Karnavati Club, Mumatpura, Daskroi, Bopal, Ahmedabad, Gujarat – 380 058
Aditya Vipinbhai Patel	Whole-time Director	07103812	2, Nandanvan, Nr. Shaym Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059
Birva Chirag Patel	Whole-time Director	07203299	Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi, Ahmedabad, Bopal, Gujarat - 380 058
Birju Maheshbhai Patel	Independent Director	06803409	Flat No. 1001, New Madhuvan Society, 81-B, Saraswati Road, Behind H.D.F.C. Bank, Santacruz (West), Mumbai, Maharashtra – 400 054
Sanjay Shaileshbhai Majmudar	Independent Director	00091305	24, Sumadhur Society, Near Nehrunagar Society, S M Road, Ambawadi, Manekbag, Ahmadabad, Gujarat – 380 015
Hemant Ishwarlal Modi	Independent Director	00171161	363-A, Lane-18, Satyagrah Chhavni, Soc, Satellite Road, Ambawadi Vistar, Ahmadabad, Gujarat, 380015
Udayan Dileep Choksi	Independent Director	02222020	E-7, Sea Face Park, 50, B Desai Road, Breach Candy Hospital, Breach Candy, Cumballa Hill, Mumbai, Maharashtra, 400026
Subir Kumar Das	Independent Director	02237356	J/602, Iscon Platinum, Bopal-Ambali Road, Bopal, Ahmedabad, Gujarat – 380 058
Sonal Vimal Ambani	Independent Director	02404841	Vimal House, Navrangpura, Ahmedabad – 380 014

For brief profiles and further details of our Directors, see "*Our Management*" on page 246.

Company Secretary and Compliance Officer

Palak Dilipbhai Parekh is the Company Secretary and Compliance Officer of our Company. Her contact details are as set out below:

Palak Dilipbhai Parekh
MB House, 51,
Chandrodaya Society,
Opp. Golden Triangle,
Stadium Road,
Post Navjivan,
Ahmedabad – 380 014,
Gujarat, India
E-mail: compliance@mbel.in
Tel: +91 79-26463784

Statutory Auditors of our Company

M/s Talati & Talati LLP
2nd and 3rd Floor, Ambica Chambers,
Near Old High Court,
Navrangpura,
Ahmedabad,– 380 009,
Gujarat, India.
E-mail: umesh@talatiandtalati.com
Tel: 079 27544572

ICAI Firm Registration Number: 110758W/W100377
Peer Review Certificate Number: 015841

Changes in Statutory Auditors

Except as stated Below, there has been no change in our statutory auditors in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of Change	Reason for Change
S S B K & Co, Chartered Accountants E/4-31 Orchid Heaven, Applewood Township, Shela, Ahemdabad 380058, Gujarat **E-mail:** info@ssbkandco.com **Firm Registration Number:** 134956W **Peer Review Certificate Number**: 014151	October 18, 2023	Resignation due to pre-occupation in other assignments.
Talati & Talati LLP, Chartered Accountants 2nd and 3rd Floor, Ambica Chambers, Near Old High Court, Navrangpura, Ahmedabad 380 009, Gujarat, India **E-mail:** umesh@talatiandtalati.com **Firm Registration Number:** 110758W/W100377 **Peer Review Certificate Number:** 015841	December 7, 2023	Appointment to fill up the casual vacancy caused by resignation as the statutory auditor of the Company, by S S B K & Co.

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer, the Book Running Lead Managers 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders.

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

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

Book Running Lead Managers

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai – 400013,
Maharashtra, India

Tel.: +91 22 4332 0734
E-mail: mb@equirus.com
Website: www.equirus.com
Investor grievance e-mail: investorsgrievance@equirus.com
Contact person: Mrunal Jadhav
SEBI Registration Number: INM000011286

DAM Capital Advisors Limited
One BKC, Tower C,
15th Floor, Unit No. 1511,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051,
Maharashtra, India
Tel.: +91 22 4202 2500
E-mail: mbel.ipo@damcapital.in
Website: www.damcapital.in
Investor grievance e-mail: complaint@damcapital.in
Contact person: Akshay Bhandari / Puneet Agnihotri
SEBI Registration Number: MB/INM000011336

Inter-se Allocation of Responsibilities between the BRLMs

The table below sets out the *inter-se* allocation of responsibilities for various activities among the BRLMs.

Sr. No	Activities	Responsibility	Coordination
1.	Capital structuring with the relative components and formalities such type of instruments, size of the Offer, allocation between primary and secondary and positioning strategy. Due diligence of Company including its operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of DRHP, RHP, Prospectus, and RoC filing	Equirus & DAM	Equirus
2.	Drafting and approval of all statutory advertisements.	Equirus & DAM	Equirus
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising, brochures, etc filing of media compliance report with SEBI.	Equirus & DAM	DAM
4.	Appointment of intermediaries - Registrar to the Offer, Printer and advertising agency (including coordination of all agreements to be entered with such parties)	Equirus & DAM	Equirus
5.	Appointment of other intermediaries – Monitoring agency, Banker to the Offer, Share Escrow Agent, etc (including coordination of all Agreements to be entered with such parties)	Equirus & DAM	DAM
6.	Preparation of roadshow presentation and frequently asked questions	Equirus & DAM	Equirus
7.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	Equirus & DAM	Equirus
8.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy preparation of publicity budget; • Finalizing the list and division of domestic investors for one- to-one meetings; and • Finalizing domestic road show and investor meeting schedule.	Equirus & DAM	DAM
9.	Conduct non-institutional marketing of the Offer.	Equirus & DAM	Equirus
10.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget frequently asked questions at retail road show • Finalising brokerage, collection centers • Finalising centers for holding conferences for brokers etc.	Equirus & DAM	DAM

Sr. No	Activities	Responsibility	Coordination
	Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material		
11.	Managing anchor book related activities including anchor co-ordination, Anchor CAN, intimation of anchor allocation and submission of letters to regulators post completion of anchor allocation, and coordination with stock exchanges for book building process, filing of letters including for software, bidding terminals, mock trading	Equirus & DAM	DAM
12.	Managing the book and finalization of pricing in consultation with Company	Equirus & DAM	Equirus
13.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, and banks, unblocking of application monies, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalization of the basis of allotment, based on technical rejections, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds/ unblocking of funds, post Offer stationery and, coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Sponsor Banks, Self-Certified Syndicate Bank including responsibility for underwriting arrangements (as applicable), Payment of the applicable STT on behalf of Selling Shareholder, coordination for investor complaints related to the Offer, Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the submission of final post issue report	Equirus & DAM	DAM

Syndicate Members

[●]

Legal Counsel to the Company

Trilegal
One World Centre,
10th Floor, Tower 2A & 2B,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013

Registrar to the Offer

Link Intime India Private Limited
C 101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai, Maharashtra - 400083
Tel: +91 8108114949
E-mail: mbengg.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor grievance e-mail: mbengg.ipo@linkintime.co.in
Contact person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker(s) to the Offer

[●]

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Bank(s)

[●]

Banker(s) to our Company

ICICI Bank Limited
8th Floor, Anam-1, Opposite Parimal Garden,
Ambawadi,
Ahmedabad – 380 006
Tel: +91 9375050849/ +91 8460226909
Email: meghna.bafna@icicibank.com, zeel.shah1@icicibank.com
Contact person: Meghna Bafna/ Zeel Shah

Kotak Mahindra Bank Limited
7th Floor, Venus Amadeus,
Near Jodhpur Cross Road,
Satellite– 380 015
Tel: 07967168762
Email: harsh.ajmera@kotak.com
Contact person: harsh.ajmera@kotak.com

Standard Chartered Bank
1St Floor Raindrops C.G.Road,
Navranpura Ahmedabad – 380 009
Tel: +91 265 6622509
Email: Pradeep.bhatt@sc.com
Contact person: www.sc.com

HDFC Bank Limited
3rd Floor, Bank House,
HDFC Bank,
Navrangpura, Ahmedabad
Tel: +91 9979876051
Email: kuldipsinh.chauhan@hdfcbank.com
Contact person: Kuldipsinh Chauhan

Bank of Baroda
Mid corporate Branch 3rd Floor,
Dena Laxmi Bhavan,
Ashram Road, Navrangpura,
Ahmedabad – 380 009
Tel: 079 2659 4130
Email: midahd@bankofbaroda.co.in
Contact person: Vivek Sharma

Axis Bank
CBB Panchvati Branch,
Ahmedabad, Gujarat
Tel:07966147159
Email: cbbahmedabad.operationshead@axisbank.com
Contact person: Keyur Rathod

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Form, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

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

Syndicate SCSB Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Credit Rating

As the Offer is an initial public offering of Equity Shares, the appointment of a credit rating agency is not required.

IPO Grading

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

Debenture Trustees

As the Offer is an initial public offering of Equity Shares, the appointment of debenture trustees is not required.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency, prior to the filing of the Red Herring Prospectus with the RoC for monitoring the utilization of the Net Proceeds. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 109.

Appraising Agency

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

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

1. Written consent dated September 23, 2024 from M/s Talati & Talati LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 23, 2024 on our Restated Consolidated Financial Statements; and (ii) their report dated September 23, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders in this Draft Red Herring Prospectus 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.

2. Our Company has received written consent dated 23, 2024 from the practicing company secretary, Kashyap R. Mehta & Associates, Company Secretaries to be named as an “expert” under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 23, 2024 issued in connection with *inter alia* the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

3. Our Company has received written consent dated September 20, 2024 from Chetan Brahmania, independent chartered engineer, to be named as an “expert” under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 20, 2024 in relation to the Company’s manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Book Building Process

Book building process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot size and Employee Discount (if any) will be decided by our Company, in consultation with the BRLMs, and shall be advertised in all editions of the [●], an English language national daily with wide circulation, all editions of [●], a Hindi language national daily with wide circulation and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located), and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in case of UPI Bidders, by alternatively using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and can withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw Bids after the Anchor Investor Bid/ Offer Period. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum 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 further details on the method and procedure for Bidding and book building procedure, see *“Terms of the Offer”*, *“Offer*

Structure" and *"Offer Procedure"* on pages 406, 412 and 416, respectively.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI, which are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

Underwriting Agreement

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters, who shall be merchant bankers or stockbrokers registered with SEBI, for the Equity Shares. The Underwriting Agreement is dated [●]. The extent of underwriting obligations and the Bids to be underwritten by each Underwriter shall be as per the Underwriting Agreement, it is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to conditions specified therein.

The Underwriters have indicated their intention to underwrite such number of Equity Shares as disclosed below:

(This portion has been intentionally left blank and will be filled in before the Prospectus is filed with the RoC)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten *(in ₹ million)*
[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalised after determination of the Offer Price and Basis of Allotment and the allocation of Equity Shares, subject to and in accordance with the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of each of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set out in the table above.

CAPITAL STRUCTURE

Our Company's share capital, as of the date of this Draft Red Herring Prospectus, is disclosed below.

(In ₹ except share data)

S. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL**		
	75,000,000 Equity Shares of face value ₹10 each	750,000,000	-
	5,000,000 Preference Shares of face value ₹10 each	50,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	50,000,000 Equity Shares of face value of ₹10 each	500,000,000	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value ₹10 each aggregating up to ₹ 6,530.00 million(1)(3)	[●]	[●]
	of which		
	Fresh Issue of up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 3,250.00 million(1)(3)	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value ₹10 each aggregating up to ₹ 3,280.00 million(2)	[●]	[●]
	which includes		
	Employee Reservation portion of up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million(4)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value of ₹[●] each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer	[●]	

* *To be included upon finalization of the Offer Price.*

(1) *Our Board has authorised the Offer, pursuant to their resolution dated March 7, 2024 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated June 6, 2024. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated April 2, 2024.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by them are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations and confirm compliance with and will comply with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable. For details on the authorizations by the Selling Shareholders in relation to the Offer for Sale, see "The Offer" on page 76.*

(3) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(4) *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. For further details, see "Offer Structure" on page 412. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹0.50 million), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Our Company in consultation with the BRLMs, may offer a discount of up to ₹[●]of the Offer Price to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.*

For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters - Amendments to the Memorandum of Association" on page 236.

Notes to Capital Structure

1. **Share capital history of our Company**

Our Company is in compliance with the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

(a) *History of equity share capital of our Company:*

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
June 16, 1981	20	100	100	Initial subscription to the Memorandum of Association	Cash	20	2,000	10 equity shares each were allotted to Manibhai Shivabhai Patel and Hasmukhbhai Shivabhai Patel
November 5, 1984	980	100	100	Further issue	Cash	1,000	1,00,000	40 equity shares each were allotted to Manibhai S. Patel and Hasmukhbhai S. Patel; 20 equity shares each were allotted to Lalitaben M. Patel, Raojibhai C. Patel, Ishwarbhai Z. Patel, Saileshbhai I. Patel, Manubhai J. Patel, Nirmalaben I. Patel, Kantibhai C. Patel, Ramdas P. Patel, Anilkumar Ramdas Patel, Chetan R. Patel (minor), Shantilal P. Patel, Magalaben S. Patel, Vipinbhai K. Patel, Leenabem V. Patel; 25 equity shares each were allotted to Girishbhai M. Patel, Maheshbhai M. Patel, Kailashben M. Patel, Bhadraben H. Patel, Nandan S. Patel (minor); 30 equity shares each were allotted to Umaben G. Patel, Reenaben M. Patel, Gunvantiben K. Patel and Kantibhai C. Patel

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
								jointly; 50 equity shares each were allotted to Malav G. Patel (minor), Tosha G. Patel (minor), Vrunda M. Patel (minor), Manubhai S. Patel; 55 equity shares each were allotted to Ami H. Patel (minor), Chirag H. Patel (minor); 35 equity shares were allotted to Mitaben S. Patel; 10 equity shares each were allotted to Roomaben K. Patel, Akshay Shantilal Patel (minor), Jimir J. Patel (minor); and 15 equity shares each were allotted to Jagdishbhai S. Patel, Indumatiben J. Patel.
May 11, 1985	4,000	100	100	Further issue	Cash	5,000	500,000	30 equity shares each were allotted to Mangalaben S. Patel, Kantibhai C. Patel, Shantilal P. Patel, Leenaben V. Patel, Vipinbhai K. Patel; 50 equity shares each were allotted to Manibhai S. Patel, Manubhai S. Patel, Hasmukhbhai S. Patel, Ramdas Purshottamdas Patel, Ishwarbhai Z. Patel, Shaileshbhai I. Patel, Aditi V. Patel (minor), Aditya V. Patel (minor); 125 equity shares each were allotted to Manibhai S. Patel (HUF), Girishbhai M. Patel (HUF), Manubhai S. Patel (HUF), Hasmukbhai S. Patel (HUF), Maheshbhai M. Patel (HUF); 80 equity shares each were

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
								allotted to Lalitaben M. Patel, Raojibhai C. Patel; 75 equity shares each were allotted to Girishbhai M. Patel, Maheshbhai M. Patel, Kailashben M. Patel, Bhadraben H. Patel, Kanubhai R. Patell; 70 equity shares each were allotted to Umaben G. Patel, Reenaben M. Patel; 200 equity shares each were allotted to Vrunda M. Patel (minor), Malav G. Patel (minor), Tosha G. Patel (minor); 195 equity shares each were allotted to Ami H. Patel (minor), Chirag Hasmukhbhai Patel (minor); 130 equity shares were allotted to Chetan R. Patel (minor); 65 equity shares were allotted Mitaben S. Patel; 55 equity shares each were allotted to Manubhai J. Patel, Nirmalaben I. Patel; 225 equity shares were allotted to Nandan S. Patel (minor); 45 equity shares were allotted to Gunvantiben Kantibhai Patel; 115 equity shares each were allotted to Roomaben Kantibhai Patel (minor); 60 equity shares were allotted to Anilkumar R. Patel; and 10 equity shares each were allotted to Jagdishbhai S. Patel, Indumatiben J. Patel, Ishwarbhai Z. Patel; 140 equity shares each were

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
								allotted to Jimir J. Patel (minor), Akshay S. Patel (minor)
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each								
March 31, 2008	7,950,000	10	10	Further issue	Cash	8,000,000	80,000,000	1,113,000 Equity Shares each were allotted to Manibhai S. Patel, Hasmukhbhai S. Patel, Malav G. Patel; 954,000 Equity Shares were allotted to Manubhai S. Patel; 556,500 Equity Shares were allotted to Girishbhai M. Patel; 1,187,500 Equity Shares were allotted to Chirag H. Patel; 397,500 Equity Shares were allotted to Vipinbhai K Patel; 800,000 Equity Shares were allotted to Birvaben C. Patel; 159,000 Equity Shares were allotted to Leenaben V. Patel; 318,000 Equity Shares were allotted to Umaben G. Patel; and 238,500 Equity Shares were allotted to Aditya V. Patel.
February 24, 2011	2,000,000	10	10	Further issue	Cash	10,000,000	100,000,000	280,000 Equity Shares each were allotted to Manibhai S. Patel, Hasmukhbhai S. Patel, Malav G. Patel; 260,000 Equity Shares were allotted to Girishbhai M. Patel; 80,000 Equity Shares were allotted to Umaben G. Patel; 420,000 Equity Shares were allotted to Chirag H. Patel; 200,000 Equity Shares were allotted to Birvaben C. Patel; 100,000

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
								Equity Shares were allotted to Vipinbhai K. Patel; 40,000 Equity Shares were allotted to Leenaben V. Patel; and 60,000 Equity Shares were allotted to Aditya V. Patel.
March 4, 2011	10,000,000	10	Not applicable	Bonus issue in the ratio of 1 equity share for every 1 equity share held	Not applicable	20,000,000	200,000,000	1,400,000 Equity Shares each were allotted to Manibhai S. Patel, Hasmukhbhai S. Patel, Malav G. Patel; 1,300,000 Equity Shares were allotted to Girishbhai M. Patel; 400,000 Equity Shares were allotted to Umaben G. Patel; 2,100,000 Equity Shares were allotted to Chirag H. Patel; 500,000 Equity shares were allotted to Vipinbhai K. Patel; 200,000 Equity Shares were allotted to Leenaben V. Patel; 300,000 Equity Shares were allotted to Aditya V. Patel; and 1,000,000 Equity shares were allotted to Birvaben C. Patel.
October 9, 2023	30,000,000	10	Not applicable	Bonus issue in the ratio of 3 equity shares for every 2 equity shares held	Not applicable	50,000,000	500,000,000	8,100,000 Equity Shares were allotted to Girishbhai Manibhai Patel; 1,200,000 Equity Shares were allotted to Uma Girishbhai Patel; 4,200,000 Equity Shares were allotted to Malav Girishbhai Patel; 10,500,000 Equity Shares were allotted to Chirag Hasmukhbhai Patel; 1,500,000 Equity Shares were allotted to Vipinbhai Kantilal Patel; 600,000 Equity Shares were allotted to Leenaben Vipinbhai Patel; 900,000

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name of allottees
								Equity Shares were allotted to Aditya Vipinbhai Patel; and 3,000,000 Equity Shares were allotted to Birva Chiragbhai Patel.

(b) *History of Preference Share capital of our Company*

Our Company does not have any outstanding Preference Share capital as on the date of filing of this Draft Red Herring Prospectus.

2. **Issue of shares issued for consideration other than cash or by way of bonus issue**

Except as stated below, our Company has not issued any shares in the past for consideration other than cash or by way of bonus issue, as of the date of this Draft Red Herring Prospectus:

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason for allotment	List of allottees	Benefits accrued to our Company
March 4, 2011	10,000,000	10	Not applicable	Bonus issue in the ratio of 1 equity share for every 1 equity share held	1,400,000 Equity Shares each were allotted to Manibhai S. Patel, Hasmukhbhai S. Patel, Malav G. Patel; 1,300,000 Equity Shares were allotted to Girishbhai M. Patel; 400,000 Equity Shares were allotted to Umaben G. Patel; 2,100,000 Equity Shares were allotted to Chirag H. Patel; 500,000 Equity shares were allotted to Vipinbhai K. Patel; 200,000 Equity Shares were allotted to Leenaben V. Patel; 300,000 Equity Shares were allotted to Aditya V. Patel; and 1,000,000 Equity shares were allotted to Birvaben C. Patel.	-
October 9, 2023	30,000,000	10	Not applicable	Bonus issue in the ratio of 3 equity shares for every 2 equity shares held	8,100,000 Equity Shares were allotted to Girishbhai Manibhai Patel; 1,200,000 Equity Shares were allotted to Uma Girishbhai Patel; 4,200,000 Equity Shares were allotted to Malav Girishbhai Patel; 10,500,000 Equity Shares were allotted to Chirag Hasmukhbhai Patel; 1,500,000 Equity Shares were allotted to Vipinbhai Kantilal Patel; 600,000 Equity Shares were allotted to Leenaben Vipinbhai Patel; 900,000 Equity Shares were allotted to Aditya Vipinbhai Patel; and 3,000,000 Equity Shares were allotted to Birva Chiragbhai Patel.	-

3. **Issue of Equity Shares or Preference Shares at a price lower than the Offer Price in the last one year**

Our Company has not issued any Equity Shares or Preference Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus except as disclosed in the Share capital history of our Company. Our Company does not have any outstanding Preference Share capital as of the date of this Draft Red Herring Prospectus. For further details, see "*Share capital history of our Company – History of Equity Share Capital of our Company*" on page 88.

4. **Issue of shares out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. **Issue of shares pursuant to any scheme of arrangement**

Our Company has not issued or allotted any shares in terms of a scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

6. **Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 48,000,000 Equity Shares constituting approximately 96.00% of the issued, subscribed and paid-up share capital of our Company.

(a) Build-up of Promoters' equity shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is as set out below:

Girishbhai Manibhai Patel

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
November 5, 1984	25	100	100	Cash	Further issue	Negligible	[●]
May 11, 1985	75	100	100	Cash	Further issue	Negligible	[●]
July 15, 1992	25	100	470	Cash	Transfer of equity shares from Indumatiben J. Patel	Negligible	[●]
	50	100	470	Cash	Transfer of equity shares from Chetan R. Patel (minor)	Negligible	[●]
	50	100	470	Cash	Transfer of equity shares from Ramdas P. Patel	Negligible	[●]
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Girishbhai Manibhai Patel, one of our Promoters, consequently, holds 2,250 equity shares of face value ₹10 each.							
March 31, 2008	556,500	10	10	Cash	Further issue	1.11	[●]
May 31, 2008	1,250	10	100	Cash	Transfer of Equity Shares from Girishbhai M. Patel (HUF)	Negligible	[●]
June 16, 2008	480,000	10	Nil	Nil	Transmission of Equity Shares by way of will from Manubhai S.	0.96	[●]

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
					Patel		
February 24, 2011	260,000	10	10	Cash	Further issue	0.52	[●]
March 4, 2011	1,300,000	10	Not applicable	Not applicable	Bonus issue in the ratio of 1 equity share for every 1 equity share held	2.60	[●]
July 8, 2015	2,800,000	10	Nil	Nil	Transmission of Equity Shares from Manibhai Shivabhai Patel	5.60	[●]
October 9, 2023	8,100,000	10	Not applicable	Not applicable	Bonus issue in the ratio of three equity shares for every two equity shares held	16.20	[●]
May 21, 2024	6,000,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Malav Girishbhai Patel	12.00	[●]
June 28, 2024	(5,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to MGM5 Family Trust	(0.01)	[●]
June 28, 2024	(5,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to MGM11 Family Trust	(0.01)	[●]
Total	**19,490,000**					**38.98**	**[●]**

Malav Girishbhai Patel

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
November 5, 1984	50	100	100	Cash	Further issue	Negligible	[●]
May 11, 1985	200	100	100	Cash	Further issue	Negligible	[●]
March 3, 1986	50	100	100	Cash	Transfer of equity shares from Akshay S. Patel (minor)	Negligible	[●]
August 18, 1987	50	100	100	Cash	Transfer of equity shares from Raojibhai C. Patel	Negligible	[●]
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Malav Girishbhai Patel, one of our Promoters, consequently, holds 3,500 equity shares of face value ₹10 each.							

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
April 5, 2007	3,500	10	100	Cash	Transfer of Equity Shares from Tosha G. Patel	0.01	[●]
March 31, 2008	1,113,000	10	10	Cash	Further issue	2.23	[●]
February 24, 2011	280,000	10	10	Cash	Further issue	0.56	[●]
March 4, 2011	1,400,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	2.80	[●]
October 9, 2023	4,200,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	8.40	[●]
May 21, 2024	(6,000,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to Girishbhai Manibhai Patel	(12.00)	[●]
Total	**1,000,000**					**2.00**	**[●]**

Chirag Hasmukhbhai Patel

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
November 5, 1984	55	100	100	Cash	Further issue	Negligible	[●]
May 11, 1985	195	100	100	Cash	Further issue	Negligible	[●]
March 3, 1986	50	100	100	Cash	Transfer of equity shares from Akshay S. Patel (minor)	Negligible	[●]
August 18, 1987	25	100	100	Cash	Transfer of equity shares from Kanubhai R. Patel	Negligible	[●]
September 12, 1992	250	100	470	Cash	Transfer of equity shares from Ami H. Patel (minor)	Negligible	[●]
January 20, 1997	100	100	470	Cash	Transfer of equity shares from Maheshbhai M. Patel	Negligible	[●]
	125	100	470	Cash	Transfer of equity shares from Maheshbhai M. Patel (HUF)	Negligible	[●]

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
	100	100	470	Cash	Transfer of equity shares from Reenaben M. Patel	Negligible	[●]
	350	100	470	Cash	Transfer of equity shares from Vrunda M. Patel	Negligible	[●]
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Chirag Hasmukhbhai Patel, one of our Promoters, consequently, holds 12,500 equity shares of face value ₹10 each							
March 31, 2008	1,187,500	10	10	Cash	Further issue	2.38	[●]
June 16, 2008	480,000	10	Nil	Nil	Transmission of Equity Shares by way of will from Manubhai S. Patel	0.96	[●]
February 24, 2011	420,000	10	10	Cash	Further issue	0.84	[●]
March 4, 2011	2,100,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	4.20	[●]
March 1, 2023	2,800,000	10	Nil	Nil	Transmission of 2,800,000 Equity Shares of Hasmukhbhai S. Patel by way of will	5.60	[●]
October 9, 2023	10,500,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	21.00	[●]
July 9, 2024	(5,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to Chirag H Patel Family Trust	(0.01)	[●]
Total	**17,495,000**					**34.99**	**[●]**

Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
November 5, 1984	20	100	100	Cash	Further issue	Negligible	[●]
May 11, 1985	30	100	100	Cash	Further issue	Negligible	[●]
July 15, 1992	50	100	470	Cash	Transfer of equity shares	Negligible	[●]

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
					from Kantibhai C. Patel		
June 23, 1993	(50)	100	470	Cash	Transfer of equity shares to Kantibhai T. Patel	Negligible	[●]
January 20, 1997	200	100	470	Cash	Transfer of equity shares from Manubhai S. Patel	Negligible	[●]
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Vipinbhai Kantilal Patel, one of our Promoters, consequently, holds 2,500 equity shares of face value ₹10 each							
March 31, 2008	397,500	10	10	Cash	Further issue	0.80	[●]
February 24, 2011	100,000	10	10	Cash	Further issue	0.20	[●]
March 4, 2011	500,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	1.00	[●]
October 9, 2023	1,500,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	3.00	[●]
June 25, 2024	(1,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to Vipin K Patel Family Trust	Negligible	[●]
Total	**2,499,000**					**5.00**	**[●]**

* *The equity shares have been transferred in joint name with effect from February 19, 2019.*

Aditya Vipinbhai Patel

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
May 11, 1985	50	100	100	Cash	Further issue	Negligible	[●]
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Aditya Vipinbhai Patel, one of our Promoters, consequently, holds 500 equity shares of face value ₹10 each							
April 5, 2007	500	10	100	Cash	Transfer of Equity Shares from Aditi V. Patel	Negligible	[●]
	500	10	100	Cash	Transfer of Equity Shares from Kantilal T.	Negligible	[●]

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
					Patel		
March 31, 2008	238,500	10	10	Cash	Further issue	0.48	[●]
February 24, 2011	60,000	10	10	Cash	Further issue	0.12	[●]
March 4, 2011	300,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	0.60	[●]
October 9, 2023	900,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	1.80	[●]
June 25, 2024	(1,000)	10	Nil	Nil	Transfer of Equity Shares by way of gift to Aditya V Patel Family Trust	Negligible	[●]
Total	**1,499,000**					**3.00**	**[●]**

Birva Chirag Patel

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
March 31, 2008	800,000	10	10	Cash	Further issue	1.60	[●]
February 24, 2011	200,000	10	10	Cash	Further issue	0.40	[●]
March 4, 2011	1,000,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	2.00	[●]
October 9, 2023	3,000,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	6.00	[●]
Total	**5,000,000**					**10.00**	**[●]**

Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
November 5, 1984	20	100	100	Cash	Further issue	Negligible	[●]
May 11, 1985	30	100	100	Cash	Further issue	Negligible	[●]
July 15, 1992	50	100	470	Cash	Transfer of	Negligible	[●]

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
					Equity Shares from Prutha S. Patel		
Pursuant to a resolution of our Board dated September 5, 2006 and Shareholders' resolution dated November 7, 2006, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed share capital of our Company comprising 5,000 equity shares of face value of ₹100 each was sub-divided into 50,000 equity shares of face value of ₹10 each. Pursuant to the sub-division, Leenaben Vipinbhai Patel, one of our Promoters, consequently, holds 1,000 equity shares of face value ₹10 each							
March 31, 2008	159,000	10	10	Cash	Further issue	0.32	[●]
February 24, 2011	40,000	10	10	Cash	Further issue	0.08	[●]
March 4, 2011	200,000	10	Not applicable	Bonus	Bonus issue in the ratio of 1 equity share for every 1 equity share held	0.40	[●]
October 9, 2023	600,000	10	Not applicable	Bonus	Bonus issue in the ratio of three equity shares for every two equity shares held	1.20	[●]
Total	**1,000,000**					**2.00**	**[●]**

* *The equity shares have been transferred in joint name with effect from February 19, 2019*.

Aditya V Patel Family Trust*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
June 25, 2024	1,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Aditya Vipinbhai Patel	Negligible	[●]
Total	**1,000**					**Negligible**	**[●]**

* *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*

Vipin K Patel Family Trust*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
June 25, 2024	1,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Vipinbhai Kantilal Patel	Negligible	[●]
Total	**1,000**					**Negligible**	**[●]**

* *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*

MGM5 Family Trust*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
June 28, 2024	5,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Girishbhai Manibhai Patel	0.01	[●]
Total	**5,000**					**0.01**	**[●]**

* *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*

MGM11 Family Trust*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
June 28, 2024	5,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Girishbhai Manibhai Patel	0.01	[●]
Total	**5,000**					**0.01**	**[●]**

* *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*

Chirag H Patel Family Trust*

Date of allotment/ transfer	Number of fully paid-up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
July 9, 2024	5,000	10	Nil	Nil	Transfer of Equity Shares by way of gift from Chirag Hasmukhbhai Patel	0.01	[●]
Total	**5,000**					**0.01**	**[●]**

* *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*

(b) Details of Promoters' Contribution and lock-in

Pursuant to Regulations 14 and 16 (1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoters' Contribution and is required to be locked-in for a period of eighteen months from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' Contribution for a period of eighteen months, from the date of Allotment as Promoters' Contribution are as set out below:*

Name of the Promoter	Number of Equity Shares locked-in	Date up to which Equity Shares are subject to lock-in	Date of Acquisition of Equity Shares and when made fully paid-up	Nature of transaction	Face value (₹)	Issue/Acquisition price per Equity Share (₹)	Pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* *To be completed prior to filing of the Prospectus with the RoC.*

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

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "—*Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares – Build-up of Promoters' equity shareholding in our Company*" on page 94.

In this connection, we confirm the following:

(i) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price; provided that this does not apply to Equity Shares arising from the conversion of fully paid-up compulsorily convertible securities that have been held for a period of one year prior to filing this Draft Red Herring Prospectus and such fully paid-up compulsorily convertible securities have been converted to Equity Shares;

(iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm;

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge; and

(v) All Equity Shares held by our Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

(c) Details of Equity Shares locked-in for six months

In terms of Regulation 17 of the SEBI ICDR Regulations, in addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' Contribution as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (including any unsubscribed portion of the Offered Shares) will be locked-in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law, except for the (i) Equity Shares which may be Allotted to the employees under the employee stock option scheme pursuant to exercise of options held by such eligible employees, whether current employees or not, in accordance with the employee stock option scheme; and (ii) Equity Shares Allotted pursuant to the Offer.

(d) Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked- in for a period of 90 days from the date of Allotment, and the remaining 50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) *Other requirements in respect of lock-in*

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or Systemically Important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with. However, the relevant lock-in period shall continue pursuant to the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of the Promoter Group, or to a new promoter of our Company and the Equity Shares held by any persons other than our Promoters, which are locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations, may be transferred to and among such other persons holding specified securities that are locked in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

7. **Details of secondary transactions of Equity Shares**

Except as disclosed in the section titled "*Capital Structure - Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares - Build-up of Promoters' equity shareholding in our Company*" the secondary transfers of Equity Shares by members of Promoter Group and Selling Shareholders, since incorporation of our Company is forth below:

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Face value per Equity Shares (₹)	Transfer price per Equity Share (₹)	Nature of consideration	Percentage of pre- Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
July 15,1992	100	Chetan Ramdas Patel	Umaben G. Patel	100	470	Cash	Negligible	[●]
July 15, 1992	100	Shaileshbhai Ishwarbhai Patel - HUF	Bhadraben Hasmukhbhai Patel	100	470	Cash	Negligible	[●]
May 31, 2008	2000	Bhadraben H. Patel	Hasmukhbhai S. Patel	10	100	Cash	Negligible	[●]

8. **Shareholding pattern of our Company**

The table below presents the Equity Shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII)=(IV) +(V) + (VI)	Shareholding as a % of total number of shares (calculate as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number 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 dematerialised form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Share s held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	**Promoter and Promoter Group**	13	50,000,000	0	0	50,000,000	100.00	50,000,000	0	50,000,000	100.00	0	100.00	0	0	0	0	50,000,000
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	**Non-Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying depository receipts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by employee trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**13**	**50,000,000**	**0**	**0**	**50,000,000**	**100.00**	**50,000,000**	**0**	**50,000,000**	**100.00**	**0**	**100.00**	**0**	**0**	**0**	**0**	**50,000,000**

9. **Details of shareholding of the major Shareholders of our Company:**

(a) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (face value ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Girishbhai Manibhai Patel	19,490,000	38.98
2.	Umaben Girishbhai Patel	2,000,000	4.00
3.	Chirag Hasmukhbhai Patel	17,495,000	34.99
4.	Birva Chirag Patel	5,000,000	10.00
5.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	2,499,000	5.00
6.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	1,000,000	2.00
7.	Aditya Vipinbhai Patel	1,499,000	3.00
8.	Malav Girishbhai Patel	1,000,000	2.00
Total		**49,983,000**	**99.97**

Note: Based on the beneficiary position statement dated September 20, 2024.

(b) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Girishbhai Manibhai Patel	19,490,000	38.98
2.	Umaben Girishbhai Patel	2,000,000	4.00
3.	Chirag Hasmukhbhai Patel	17,495,000	34.99
4.	Birva Chirag Patel	5,000,000	10.00
5.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	2,499,000	5.00
6.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	1,000,000	2.00
7.	Aditya Vipinbhai Patel	1,499,000	3.00
8.	Malav Girishbhai Patel	1,000,000	2.00
Total		**49,983,000**	**99.97**

Note: Based on the beneficiary position statement dated September 13, 2024.

(c) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Girishbhai Manibhai Patel	5,400,000	27.00
2.	Umaben Girishbhai Patel	800,000	4.00
3.	Chirag Hasmukhbhai Patel	7,000,000	35.00
4.	Birva Chirag Patel	2,000,000	10.00
5.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	1,000,000	5.00
6.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	400,000	2.00
7.	Aditya Vipinbhai Patel	600,000	3.00
8.	Malav Girishbhai Patel	2,800,000	14.00
Total		**20,000,000**	**100.00**

Note: Based on the beneficiary position statement dated September 22, 2023.

(d) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10 each) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Girishbhai Manibhai Patel	5,400,000	27.00
2.	Umaben Girishbhai Patel	800,000	4.00
3.	Chirag Hasmukhbhai Patel	4,200,000	21.00
4.	Birva Chirag Patel	2,000,000	10.00
5.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	1,000,000	5.00
6.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	400,000	2.00
7.	Aditya Vipinbhai Patel	600,000	3.00
8.	Malav Girishbhai Patel	2,800,000	14.00
9.	Hasmukhbhai Shivabhai Patel	2,800,000	14.00
Total		**20,000,000**	**100.00**

Note: Based on the beneficiary position statement dated September 23, 2022.

10. **Details of the Shareholding of our Directors, our Key Managerial Personnel, our Senior Management Personnel, our Promoters and members of our Promoter Group**

Except as disclosed below, as on the date of this Draft Red Herring Prospects, neither our Promoters, the members of our Promoter Group, Directors, Key Managerial Personnel or Senior Management Personnel hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
Promoters				
1.	Girishbhai Manibhai Patel (*also a Director and KMP*)	19,490,000	38.98	[●]
2.	Malav Girishbhai Patel (*also a Director and KMP*)	1,000,000	2.00	[●]
3.	Chirag Hasmukhbhai Patel (*also a Director and KMP*)	17,495,000	34.99	[●]
4.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel) (*also a Director*)	2,499,000	5.00	[●]
5.	Aditya Vipinbhai Patel (*also a Director and KMP*)	1,499,000	3.00	[●]
6.	Birva Chirag Patel (*also a Director and KMP*)	5,000,000	10.00	[●]
7.	Leenaben Vipinbhai Patel (held jointly with Vipinbhai Kantilal Patel)	1,000,000	2.00	[●]
8.	Chirag H Patel Family Trust	5,000*	0.01	[●]
9.	MGM11 Family Trust	5,000**	0.01	[●]
10.	MGM5 Family Trust	5,000***	0.01	[●]
11.	Vipin K Patel Family Trust	1,000****	Negligible	[●]
12.	Aditya V Patel Family Trust	1,000*****	Negligible	[●]
Promoter Group				
1.	Umaben Girishbhai Patel	2,000,000	4.00	[●]
Total		**50,000,000**	**100.00**	[●]

* *Held through its trustees Chirag Hasmukhbhai Patel and Birva Chirag Patel.*
** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
*** *Held through its trustees Girishbhai Manibhai Patel and Umaben Girishbhai Patel.*
**** *Held through its trustees Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.*
***** *Held through its trustees Aditya Vipinbhai Patel and Shayoni Aditya Patel.*

For details, with respect to the shareholding of our Directors, KMPs and SMPs, see "*Our Management – Shareholding of Directors in our Company*" and "*Our Management – Shareholding of Key Managerial Personnel and Senior Management Personnel*" on pages 254 and 264, respectively.

11. None of the BRLMs or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any

Equity Shares in our Company as of the date of this Draft Red Herring Prospectus.

12. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangements for purchase of Equity Shares.

13. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation, other than as disclosed in "*– Share Capital History of our Company*" on page 88.

14. Our Company does not have any partly paid-up Equity Shares as of the date of this Draft Red Herring Prospectus.

15. Except for the Equity Shares/ specified securities, as the case may be, allotted pursuant to (i) the Offer; (ii) the Pre-IPO Placement; and (iii) exercise of employee stock options, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or refund of application monies.

16. There have been no financing arrangements whereby the members of our Promoter Group, our Directors and their relatives have 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 period of six months immediately preceding the date of this Draft Red Herring Prospectus.

17. Except as disclosed in the section titled "*Capital Structure - Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares - Build-up of Promoters' equity shareholding in our Company,*" neither our Promoters, the members of our Promoter Group nor our Directors, or any of their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

18. None of our Directors, Promoters, members of our Promoter Group, Key Managerial Personnel, Senior Management and Selling Shareholders, who hold Equity Shares of our Company, are directly or indirectly related to any of the Book Running Lead Managers or their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.

19. Except for the (i) the Offer; and (ii) exercise of employee stock options, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

20. As of the date of this Draft Red Herring Prospectus, the total number of holders of the Equity Shares is 13.

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

22. Except for any employee stock options that may be granted pursuant to the M&B ESOP Plan 2024, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.

23. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

24. Neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associate of Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Managers) shall apply in the Offer under the Anchor Investor Portion.

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

26. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, our

Directors, our Promoters, members of our Promoter Group or Group Companies, shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

27. **Employee Stock Option Plan**

Pursuant to the resolutions passed by our Board on June 6, 2024, and our Shareholders on June 6, 2024, our Company has approved the M&B Engineering Limited Employee Stock Option Plan 2024 ("**M&B ESOP Plan 2024**") for issue of options to the eligible employees which may result in issue of Equity Shares not exceeding 750,000 Equity Shares. The M&B ESOP Plan 2024 has been framed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The objective of the M&B ESOP Plan 2024 is to create a variable pay structure for our employees, incentivize them in line with our Company's performance, to retain and motivate senior and critical human resources, and to promote loyalty to our Company. The salient features of the M&B ESOP Plan 2024 are set out below:

Eligible employees: The eligible employee includes an (i) employee of our Company or of our Subsidiary, whether working in, or outside, India; (ii) executive directors, including managing directors, of our Company, whether in India or outside India; (iii) employees as mentioned in (i) and (iii) of a Company's subsidiary, in India or outside India or of a holding company of the Company; or (iv) any other person that the Company may designate as an employee, subject to applicable law. However, (a) an employee who is a Promoter or belongs to the Promoter Group; (b) a director holding directly or indirectly, more than 10% of the outstanding Equity Shares of our Company; and (c) independent directors of the Company, are excluded from the definition of eligible employees for the purposes of the M&B ESOP Plan 2024.

Grant of Options and Exercise Price: Grant of Options shall be evidenced by agreement / letter which shall be deemed to incorporate all the terms of the M&B ESOP Plan 2024.

The exercise price, subject to applicable law, prior to listing shall be at a price equal to the per share price determined by an independent valuer for the Equity Shares of our Company or at fair value as may be decided by our Board or post listing, at a price as may be decided by the committee of our Board.

Vesting of Options: Options granted under M&B ESOP Plan 2024 for Eligible Employees shall vest as per the vesting schedule provided in M&B ESOP Plan 2024. The vesting of options is subject to continued employment and fulfilment of performance parameters as may be determined by the committee of our Board.

Exercise Period: The exercise period would commence from the date of vesting of options and will be subject to a maximum period of 60 days from the date the options are vested.

As of the date of this Draft Red Herring Prospectus, no options have been granted under the M&B ESOP Plan 2024.

OBJECTS OF THE OFFER

The Offer consists of the Fresh Issue of up to [●] Equity Shares aggregating up to ₹3,250.00 million and the Offer for Sale of up to [●] Equity Shares aggregating up to ₹3,280.00 million. For details, see "*Offer Document Summary*" and "*The Offer*" on pages 20 and 76, respectively.

Offer for Sale

The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their respective proportion of Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

The Fresh Issue

Requirement of funds

Our Company proposes to utilise the Net Proceeds towards funding of the following objects:

1. Funding the capital expenditure requirements for the purchase of equipment and machinery at our Manufacturing Facilities;

2. Re-payment or pre-payment, in full or in part, of certain borrowings availed by our Company;

3. Funding the working capital requirements of our Company; and

4. General corporate purposes.

(collectively, referred to herein as the "**Objects**").

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities; (ii) to undertake the activities for which the funds are being raised by us in the Fresh Issue and are proposed to be funded from the Net Proceeds; and (iii) to undertake the activates towards which the loans proposed to be repaid from the Net Proceeds were utilised.

In addition, our Company expects to receive benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

Net Proceeds

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

Particulars	Estimated amount (₹ in million)
Gross Proceeds of the Fresh Issue(1)	Up to 3,250.00
(Less) Offer related expenses in relation to the Fresh Issue(2)(3)	[●]
Net Proceeds(1)	[●]

(1) *Includes the proceeds, if any, received pursuant to the Pre-IPO Placement of up to [●] specified securities aggregating up to ₹650.00 million. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(2) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

(3) *For details, please see, "- Offer Expenses" on page 121.*

Utilisation of Net Proceeds

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

Particulars	Estimated amount (in ₹ million)(2)
Funding the capital expenditure requirements for the purchase of equipment and machinery at our Manufacturing Facilities	639.00

Particulars	Estimated amount (in ₹ million)(2)
Re-payment or pre-payment, in full or in part, of certain borrowings availed by our Company	600.00
Funding the working capital requirements of our Company	1,100.00
General corporate purposes(1)	[●]
Total	[●]

(1) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

(2) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

Particulars	Estimated Amount to be funded from the Net Proceeds(1)	Estimated deployment of the Net Proceeds	
		Fiscal 2025	Fiscal 2026
	(in ₹ million)		
Funding the capital expenditure requirements for the purchase of equipment and machinery at our Manufacturing Facilities	639.00	249.00	390.00
Re-payment or pre-payment, in full or in part, of certain borrowings availed by our Company	600.00	600.00	-
Funding the working capital requirements of our Company	1,100.00	230.00	870.00
General corporate purposes(2)	[●]	[●]	[●]
Total	[●]	[●]	[●]

(1) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, as may be permitted under applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(2) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, variation in cost estimates on account of factors, incremental pre-operative expenses and other external factors such as changes in the business environment, market conditions and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical expenditure may not be reflective of our future expenditure plans. For details on risks involved, please see "*Risk Factors - Variation in the utilisation of Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval*" on page 58.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. The Company may, however, propose to utilize the proceeds prior to the specific dates mentioned in the schedule of deployment, in accordance with capital expenditure and working capital requirements of the Company. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds of the Fresh Issue in accordance with the SEBI ICDR Regulations.

Means of finance

The Objects set out above are proposed to be funded from the Net Proceeds and/or through our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for Objects, our Company may explore a range of options including utilizing our internal accruals or availing additional borrowings for such capital expenditure.

Details of the Objects

I. Funding the capital expenditure requirements for the purchase of equipment and machinery at our Manufacturing Facilities

We are one of the India's leading Pre-Engineered Buildings ("**PEBs**") and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum. for Self-Supported Roofing) as on 31st August 2024. (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*). We intend to enhance our manufacturing capabilities at our Manufacturing Facilities through purchase of equipment and machinery. For details, please see "*Our Business – Strategies – Augment our manufacturing facilities in our Phenix Division to better serve our customers by setting up a strategically located manufacturing facility*" on page 199. We have historically incurred capital expenditure of ₹ 77.83 million, ₹ 181.96 million and ₹ 780.79 million for Fiscal 2022, Fiscal 2023 and Fiscal 2024, respectively, towards capital expenditure at our Manufacturing Facilities.

We estimate to incur a cost of ₹ 639.00 million towards the proposed capital expenditure at our Manufacturing Facilities over a period of two financial years, being, Fiscal 2025 and Fiscal 2026. The Board of Directors of our Company pursuant to their resolution dated September 23, 2024, have taken note of the proposed capital expenditure requirements and the cost to be incurred towards the capital expenditure.

The break-down of such estimated costs are as set out in the table below. We are yet to place orders for any of the equipment and machinery, and the estimates have been arrived at based on quotations received from the suppliers, as described below:

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
High Speed Double Column Miter/ Degree Cutting Band Saw Machine – LMG 1200 X 600 R (Semi-Automatic)	10.66	Multicut Machine Tools	3	September 4, 2024	Up to March 2025
"TACKLERS" Make 5 Ton x 21 Meter Span Double Girder E.O.T Crane	8.68	Techno Industries	4	August 30, 2024	Valid for 90 days
"TACKLERS" Make 10 Ton x 21 Meter Span Double Girder E.O.T Crane	2.60	Techno Industries	1	August 30, 2024	Valid for 90 days
"TACKLERS" Make 15 Ton x 21 Meter Span Double Girder E.O.T Crane	13.28	Techno Industries	4	August 30, 2024	Valid for 90 days

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
"TACKLERS" Make 5 Ton x 8 Meter Span Double Girder Goliath Crane with Double Hook	2.01	Techno Industries	1	August 30, 2024	Valid for 90 days
"TACKLERS" Make 5 Ton x 7-8 Meter Span Single Girder Semi Goliath Crane	8.15	Techno Industries	6	August 30, 2024	Valid for 90 days
Goliath Crane 10 ton x 45 m	26.55	Stalmac Enterprise	2	September 3, 2024	Valid for 45 days
Flat flange line mchine	21.52	Deepa Engineering	1	September 4, 2024	Valid for 90 days
Messer make Multitherm pro with OXY/Plasma stations	16.12	Messer Cutting Systems India Private Limited	1	September 9, 2024	Valid for 3 months
Radial Drill Machine - Z3063X20	3.71#	Shenyi Machine Tool Import and Export Co., Ltd	2	August 28, 2024	Up to March 2025
Hydraulic Shearing Machine EM HVR 2040	6.90	Energy Mission Machineries (India) Limited	1	August 30, 2024	March 30, 2025
Hydraulic Shearing Machine EM HVR 2063	10.29	Energy Mission Machineries (India) Limited	1	August 30, 2024	March 30, 2025
Hydraulic Iron Worker EM IW 165-T	2.70	Energy Mission Machineries (India) Limited	1	August 30, 2024	March 30, 2025
X-Y Axis Back Gauge	0.83	Energy Mission Machineries (India) Limited	1	August 30, 2024	March 30, 2025
Powerind 500I	3.36	Lincoln Electric Company India Pvt Ltd	25	May 21, 2024	March 30, 2025
APD-4X6-Heavy-Duty Plate Drilling Machine	0.04^	Akyapak	1	September 6, 2024	Up to March 2025
B Roof Deck Roll Forming Machine	3.94#	Zhangjiagang City Saibo Science & Technology Co., Ltd	1	September 4, 2024	Valid for 3 months
TACO-458HH-Plus-R30	19.12#	Trinkle Enterprise Co., Ltd.	1	September 6, 2024	March 31, 2025

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
Laser Welding Machine	16.05	Dolphin Laser Machine Pvt Ltd	20	September 7, 2024	Valid for 3 months
Double Layer Roll Forming Machine	4.11#	Zhangjiagang City Saibo Science & Technology Co., Ltd	1	September 4, 2024	Valid for 3 months
Arc Welding Machine	0.64	Jhaveri Tools Corner	24	September 5, 2024	Valid for 3 months
Steelex Automatic Shot Blasting Machine 12W 2.0W x 3.0H	23.60	Steelint Blasting Equipment Pvt Ltd	1	September 3, 2024	Up to March 2025
Inline Paint Room 9m long x 4m wide x 4m high	6.49	Steelint Blasting Equipment Pvt Ltd	1	September 3, 2024	Up to March 2025
Crane Rail IS 2062 E250 A Square Size 63	2.52	Vivan Steels Pvt. Ltd.	35	September 11, 2024	Valid for 90 days
Crane Rail IS 2062 E250 A Square Size 40	1.39	Vivan Steels Pvt. Ltd.	20	September 11, 2024	Valid for 90 days
High Speed Double Column Miter/ Degree Cutting Band Saw Machine – LMG 1200 X 600 R (Semi-Automatic)	3.59	Multicut Machine Tools	1	September 5, 2024	Up to March 2025
Swing Type Mitre Cutting Band Saw Machine S 440 R	1.25	Multicut Machine Tools	1	September 5, 2024	Up to March 2025
"TACKLERS" Make 5 Ton x 21 Meter Span Double Girder E.O.T Crane	30.93	Techno Industries	14	September 13, 2024	Valid for 90 days
"TACKLERS" Make 10 Ton x 21 Meter Span Double Girder E.O.T Crane	15.73	Techno Industries	6	September 13, 2024	Valid for 90 days
"TACKLERS" Make 15 Ton x 21 Meter Span Double Girder E.O.T Crane	10.17	Techno Industries	3	September 13, 2024	Valid for 90 days
"TACKLERS" Make 20 Ton x 21 Meter Span Double Girder E.O.T Crane.	8.04	Techno Industries	2	September 13, 2024	Valid for 90 days
10 Mt Transfer rolley KIT (8000 X 2500 X 500)	3.40	Techno Industries	6	September 13, 2024	Valid for 90 days

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
5 Mt Scissor Table (8000 X 2000 X 500)	3.59	Techno Industries	2	September 13, 2024	Valid for 90 days
"TACKLERS" Make 5 Ton x 8 Meter Span Double Girder Goliath Crane with Double Hook	2.69	Techno Industries	1	September 13, 2024	Valid for 90 days
"TACKLERS" Make 3 Ton x 7 -8 Meter Span Single Girder Semi Goliath Crane	12.06	Techno Industries	10	September 13, 2024	Valid for 90 days
"TACKLERS" Make 5 Ton x 7-8 Meter Span Single Girder Semi Goliath Crane	10.90	Techno Industries	8	September 13, 2024	Valid for 90 days
"TACKLERS" Make 10 Ton x 37 Meter Span Single Girder Semi Goliath Crane.	19.92	Techno Industries	2	September 13, 2024	Valid for 90 days
Flat flange line machine	21.52	Deepa Engineering	1	September 4, 2024	Valid for 90 days
Messer make Multitherm pro with OXY/Plasma stations	16.12	Messer Cutting Systems India Private Limited	1	May 22, 2024	Valid for 9 months
Hydraulic Shearing Machine EM HVR 1615	3.07	Energy Mission Machineries (India) Limited	1	August 29, 2024	March 30, 2025
Hydraulic Shearing Machine EM HVR 2040	6.90	Energy Mission Machineries (India) Limited	1	September 4, 2024	November, 2024
Hydraulic Shearing Machine EM HVR 2063	10.29	Energy Mission Machineries (India) Limited	1	September 4, 2024	November, 2024
Hydraulic Iron Worker EM IW-110T	4.00	Energy Mission Machineries (India) Limited	2	September 4, 2024	November, 2024
Hydraulic Iron Worker EM IW-165T	5.40	Energy Mission Machineries (India) Limited	2	September 4, 2024	November, 2024
X-Y Axis Back Gauge	1.65	Energy Mission Machineries (India) Limited	2	September 4, 2024	November, 2024
Sheet Handling and Chequered Plate handling Vacuumaster Vario	3.07	Scmalz India Pvt Ltd	1	May 20, 2024	April 30, 2025

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
4000kg					
MS plate – flat sheet & chequered sheet Handling Vacuumaster Vario 2000kg	2.60	Scmalz India Pvt Ltd	1	August 30, 2024	March 30, 2025
ABW 2000 Beam Welding Machine	21.51	Primo Automation Private Systems Limited	1	September 17, 2024	Up to March 2025
Idealarc DC-1000 Single Wire Package	22.62	Lincoln Electric Company India Pvt Ltd	8	August 29, 2024	December 30, 2024
PI500I GMAW PACKAGE	4.57	Lincoln Electric Company India Pvt Ltd	34	May 21, 2024	March 30, 2025
Radial Drill Machine - Z3063X20	7.41#	Shenyi Machine Tool Import and Export Co., Ltd	4	August 28, 2024	Up to March 2025
Arc Welding Machine	0.72	Jhaveri Tools Corner	24	September 5, 2024	Valid for 3 months
Manual Blast Room equipment, 15m long x 4.5m wide x 5.5m high	11.80	Steelint Blasting Equipment Pvt Ltd	1	September 3, 2024	Up to March 2025
Inline Paint Room 6m long x 4m wide x 4m high	5.90	Steelint Blasting Equipment Pvt Ltd	1	September 3, 2024	Up to March 2025
ABW 3000 Gantry Type Dual Torch H Beam Welding Machine	13.87	Primo Automation Systems Private Limited	3	September 18, 2024	Up to March 2025
180 Degree Tilter for Tilting the PEB Beams	9.77	Primo Automation Systems Private Limited	2	September 18, 2024	Up to March 2025
I-Beam Power and Free Conveyor - 466	37.92	Movetech Conveyors Pvt. Ltd.	1	August 29, 2024	March 30, 2025
Laser Welding Machine	8.02	Dolphin Laser Machine Pvt Ltd	10	September 5, 2024	Valid for 3 months
TACO-458HH-Plus-R30	18.20#	Trinkle Enterprise Co., Ltd.	1	September 6, 2024	March 31, 2025
AB Portable Pressure Blasting Machine	0.32	Abrablast Equipment Pvt. Ltd.	4	August 29, 2024	Valid for 3 months
Graco Inc. USA make Pneumatic Driven Airless Painting Pump	2.53	App Pumps & Engineering Co. (Authorised distributor of Graco Inc., USA)	6	August 28, 2024	March 31, 2025

Particulars	Estimated cost (*in ₹ million*)*	Name of the vendor	Quantity	Date of quotation	Validity of quotation
Cutting table for Plasma Machine	4.72	N K & Co.	1	September 6, 2024	October 6, 2024
750kVA Kirloskar Green DG Set	8.33	VEL Engineers	1	September 5, 2024	Valid for 3 months
Eicher Pro 2110 H CBC 20FT BSVI NGB R 6S	2.45	VE Commercial Vehicles Limited	1	August 23, 2024	April 30, 2025
ACE Make Hydraulic Mobile Cranes ACE FX-150	3.04	Orion Equipment	1	August 29, 2024	Valid for 90 days
ACE Make Hydraulic Mobile Cranes ACE FX-230	4.86	Orion Equipment	1	August 29, 2024	Valid for 90 days
ACE Diesel Forklift Truck - Model AF100D	3.80	Orion Equipment	1	August 29, 2024	Valid for 90 days
Crane Rail IS 2062 E250 A Square Size 63	2.68	Vivan Steels Pvt. Ltd.	35	September 11, 2024	Valid for 90 days
Crane Rail IS 2062 E250 A Square Size 40	1.49	Vivan Steels Pvt. Ltd.	20	September 11, 2024	Valid for 90 days
Design, supply, erection and commissioning of a rooftop grid tied solar PV power generation plant 975 Kw with standard lengths of wires.	31.07	Grace Renewable Energy Pvt. Ltd.	1	September 13, 2024	Valid for 3 months
Total	**639.72**				

Notes:

1. *The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals.*

* *Includes GST and taxes/ charges, to the extent applicable.*

\# *Conversion rate of 1 USD= 83.8709 INR, as of August 30, 2024.*

^ *Conversion rate of 1 Euro= 92.9083 INR, as of August 30, 2024.*

The quotations received from the above suppliers are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with the suppliers and there can be no assurance that the abovementioned suppliers would be engaged to eventually provide the services at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals and borrowings. For details, please see "*Risk Factors – We have not yet placed orders in relation to the capital expenditure for the purchase of equipment and machinery for our Manufacturing Facilities. In the event of any delay in placing the orders, or in the event the vendor is not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected*" on page 57. We do not intend to purchase any second-hand equipment in relation to this Object.

II. Re-payment or pre-payment, in full or in part, of certain borrowings availed by our Company

Our Company has entered into various financial arrangements with banks and financial institutions. The loan facilities entered into by our Company include borrowings in the form of, *inter alia*, term loans and working capital facilities. For details, please see "*Financial Indebtedness*" on page 379. As on August 31, 2024, the aggregate outstanding borrowings of our Company is ₹ 3,859.68 million.

Our Company proposes to utilise an estimated amount of ₹ 600.00 million from the Net Proceeds towards repayment/ prepayment, of all or a portion of certain outstanding borrowings availed by our Company

The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining debt-equity ratio and enable utilisation 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, it will enable us to raise further resources at competitive rates and additional funds/ capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following table provides details of loans and facilities availed by our Company, as of August 31, 2024, out of which we propose to pre-pay or repay, in part either all or a portion of the below mentioned loans and/or facilities, up to an amount aggregating to ₹ 600.00 million from the Net Proceeds:

(*Remainder of this page has been left blank intentionally*)

S. No.	Name of the lender	Nature of borrowing	Date of the sanction letter	Date of disbursement	Amount sanctioned	Amount outstanding as on August 31, 2024	Interest rate per annum	Purpose for which the loan was availed*	Purpose for which borrowing utilised	Tenor	Schedule of repayment	Whether utilised for Capex (Yes/No)	Pre-payment conditions/ penalty
					(₹ *in million*)								
1.	Standard Chartered Bank	Term loan	January 5, 2024	March 28, 2024	200.00	200.00	9.55%	Business expansion for Cheyyar Manufacturing Facility	Business expansion for Cheyyar Manufacturing Facility	Five years	16 quarterly installments after one year moratorium	Yes	2%
2.	Kotak Mahindra Bank Limited	Term loan	May 9, 2023	January 9, 2024	200.00	200.00	8.50%	Business expansion for Cheyyar Manufacturing Facility	Business expansion for Cheyyar Manufacturing Facility	Seven years and six months	24 quarterly installments after 18 months moratorium	Yes	2%
3.	HDFC Bank Limited	Term loan	January 22, 2024	August 14, 2024	200.00	200.00	8.70%	Business expansion for Cheyyar Manufacturing Facility	Business expansion for Cheyyar Manufacturing Facility	Seven years and six months	24 quarterly installments after 18 months moratorium	Yes	Mutually agreed%
	TOTAL				**600.00**	**600.00**							

* *In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate from the statutory auditor, certifying the utilization of loan for the purposes availed, our Company has obtained the requisite certificate from our Statutory Auditor dated September 23, 2024.*

The selection of borrowings proposed to be repaid/pre-paid by us shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, (iv) receipt of consents for prepayment and (v) provisions of any law, rules, regulations governing such borrowings. Our Company has obtained written consents from our lenders for undertaking the Offer.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company. Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. In light of the above, if at the time of filing this Draft Red Herring Prospectus or after that date, any of the above- mentioned loans or facilities may be repaid in part or full or refinanced and our Company may also avail additional borrowings and/or draw down further funds under existing loans from time to time. Accordingly, the table above shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Offer, we may utilize Net Proceeds towards prepayment and/or repayment of such additional indebtedness availed by us, details of which shall be provided in the Red Herring Prospectus.

III. Funding the working capital requirements of our Company

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of business from internal accruals and by entering into financing arrangements with various banks and financial institutions. For details of the working capital facilities availed by our Company, please see "*Financial Indebtedness*" on page 379. We intend to utilise ₹ 1,100.00 million from the Net Proceeds to fund the working capital for meeting business requirements of our Company in Fiscal 2025 and Fiscal 2026. The funding of the incremental working capital requirements of our Company will help lead to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

(a) ***Existing working capital***[(1)]

The details of our Company's working capital as on March 31, 2022, March 31, 2023 and March 31, 2024, and the source of funding, on an audited standalone basis, are provided in the table below:

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024
(in ₹ million)				
(A)	**Current assets**			
(a)	Inventories	1,832.65	1,638.38	1,928.96
(b)	Financial Assets			
(i)	Trade receivables	1,235.35	1,179.14	1,207.83
(ii)	Other current financial assets	495.26	404.69	358.33
(c)	Other current assets	438.82	468.32	415.43
	Total Current Assets (A)	**4,002.09**	**3,690.54**	**3,910.55**
(B)	**Current liabilities**			
(a)	Financial liabilities			
(i)	Lease liabilities	6.04	8.09	4.43
(ii)	Trade payables	1,930.36	1,302.87	937.81
(iii)	Other financial liabilities	81.49	90.01	115.94
(b)	Short term provisions	100.51	121.87	103.26
(c)	Other current liabilities	672.54	617.06	556.45
	Total Current liabilities (B)	**2,790.94**	**2,139.90**	**1,717.88**
(C)	**Total working capital requirements (A - B)**	**1,211.15**	**1,550.64**	**2,192.67**
(D)	**Existing funding pattern**			
(a)	Borrowings from banks (excluding current maturities of long term debt)	262.74	512.06	1,593.33
(b)	Internal accruals/ equity	948.41	1,038.58	599.34
	Total	**1,211.15**	**1,550.64**	**2,192.67**

(1) *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.*

(b) Future working capital

On the basis of existing and estimated working capital requirement of our Company on an audited standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated September 23, 2024 has approved the projected working capital requirements for Fiscal 2025 and Fiscal 2026 and the proposed funding of such working capital requirements as set forth below:

Sr. No.	Particulars	Fiscal 2025	Fiscal 2026
(in ₹ million)			
(A)	**Current assets**		
(a)	Trade receivables	1,380.82	1,994.52
(b)	Inventories	2,145.21	3,098.63
(c)	Other financial and current assets*	887.67	1,282.19
	Total Current Assets (A)	**4,413.70**	**6,375.34**
(B)	**Current liabilities**		
(a)	Trade payables	1,109.59	1,602.74
(b)	Other financial and current liabilities	863.01	1,246.58
	Total Current liabilities (B)	**1,972.60**	**2,849.32**
(C)	**Total working capital requirement (A - B)**	**2,441.10**	**3,526.03**
(D)	**Existing funding pattern**		
(a)	Proceeds from the Fresh Issue	230.00	1,100.00
(b)	Internal accruals/ Equity	617.77	832.70
(c)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	1,593.33	1,593.33

(1) As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.
* *Excluding cash and cash equivalents.*

Holding levels

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for Fiscal 2022, Fiscal 2023 and Fiscal 2024, as well as projected for Fiscal 2025 and Fiscal 2026:

Particulars	No. of days				
	For the Fiscal ended March 31, 2022	**For the Fiscal ended March 31, 2023**	**For the Fiscal ended March 31, 2024**	**For the Fiscal ended March 31, 2025**	**For the Fiscal ended March 31, 2026**
	(Actual)	**(Actual)**	**(Actual)**	**(Projected)**	**(Projected)**
(A) Current assets					
(a) Trade receivables days	66	50	56	56	56
(b) Inventories days	97	70	89	87	87
(c) Other financial and current assets days	50	37	36	36	36
(B) Current liabilities					
1. Trade payables days	102	55	43	45	45
2. Other financial and current liabilities days	46	36	36	35	35

Note: As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.

Key assumptions for working capital projections

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

S. No	Particulars	Assumptions
Current Assets		
1.	Trade Receivables	The holding levels of trade receivables were 66 days for Fiscal 2022, 50 days for Fiscal 2023 and 56 days for Fiscal 2024. Accordingly, our Company considers the holding levels to remain at 56 days for Fiscal 2025 and Fiscal

S. No	Particulars	Assumptions
		2026, respectively, in line with Fiscal 2024.
2.	Inventories	Our Company's inventory levels tend to be dependent upon anticipated growth over the coming year and delivery schedules provided to us by our customers. Our inventory in terms of numbers of days of revenues from operations has varied over the last three fiscals, with inventory holding levels at 97 days for Fiscal 2022, with an improvement in holding levels to 70 days in Fiscal 2023 and then increasing to 89 days in Fiscal 2024. Our Company considers inventory holding levels of 87 days for Fiscal 2025 and Fiscal 2026 considering the scale of operations and in line with industry practice.
3.	Other financial and current assets	Our Company's other financial assets and other currents assets include interest receivable, loans and advances to related parties and employees, advances to suppliers, balance with government authorities, prepaid expenses and advances to employees. Our Company has maintained holding level of other financial assets and other current assets at 50 days for Fiscal 2022, 37 days for Fiscal 2023, and 36 days for Fiscal 2024. Our Company expects the holding levels in Fiscal 2025 and Fiscal 2026 to remain steady at 36 days.
Current Liabilities		
4.	Trade payables	Over the past three years, the Company's trade payables have varied between 102 days and 43 days. Based on levels witnessed in Fiscal 2024, we have assumed trade payables of 45 days each for Fiscal 2025 and Fiscal 2026.
5.	Other financial and current liabilities	The Company's other financial and current liabilities include lease liabilities, short term provisions, statutory payables and advances from customers. Holding levels between this have varied between 46 days and 36 days between Fiscal 2022 and Fiscal 2024. Based on levels witness during Fiscal 2024, we have assumed holding levels of 35 days for Fiscal 2025 and 2026.

(1) *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.*

IV. General corporate purposes

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations, such as meeting ongoing general corporate contingencies, strategic initiatives, funding growth opportunities, including acquisitions and meeting exigencies, brand building, meeting expenses incurred by our Company in the ordinary course of business, payment of commission and/or fees to the consultants research & development expenses, construction of office building, facility building, as may be applicable. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company, from time to time.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by our Board. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any, and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object, i.e., the utilization of Net Proceeds.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Banks' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, which will be paid by our Company, all costs, fees and expenses relating to the Offer including the underwriting commissions, procurement commissions, if any, and brokerage due to the underwriters and sub-brokers or stock brokers, fees payable to the SCSBs, BRLMs, Syndicate Members, legal advisors, Book Building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges and any other Governmental Authority, registrar fees and broker fees (including fees for procuring of applications), bank charges and any other agreed fees and commissions, as applicable shall be borne by the Company and the Selling Shareholders, in proportion to the number of Equity Shares issued and/or transferred by the Company and the Selling Shareholders in the Offer, respectively, within the time prescribed under the agreements to be entered into with such persons and in accordance with applicable law including section 28(3) of the Companies Act, including in the event the Offer is not successful.

The break-down for the estimated Offer expenses are set forth below:

Activity	**Estimated expenses# (in ₹ million)**	**As a % of the total estimated Offer expenses**	**As a % of the total Offer size**
BRLMs' fees and commissions (including underwriting commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding/uploading charges for members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, SEBI filing fees, upload fees, Stock Exchanges processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii) Printing and stationery expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsel	[●]	[●]	[●]
(v) Fees payable to the Monitoring Agency	[●]	[●]	[●]
(vi) Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price.

(1) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Employee Reservation Portion**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

(2) *No processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them.*

Processing fees payable to the SCSBs on the portion for Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB (including 3-in-1 type accounts – linked online trading, demat and bank account) for blocking, would be as follows:

*Portion for RIBs**	*₹ [●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders	*₹ [●] per valid application (plus applicable taxes)*
*Employee Reservation Portion**	*₹ [●] per valid application (plus applicable taxes)*

* *The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

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

• *Members of the Syndicate / RTAs / CDPs / Registered Brokers*	*₹ [●] per valid Application (plus applicable taxes)*
• *Sponsor Bank*	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

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

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

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

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

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by Retail Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

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

Interim use of Net Proceeds

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, 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.

Appraising entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank, financial institution or other agency.

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.

Monitoring of utilisation of funds

Our Company will appoint [●] as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose, the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such fiscals as required under applicable law, clearly specifying the purposes for which the Net Proceeds have been utilised, till the time any part of the Net Proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our quarterly consolidated results. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

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

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act. The notice will be published in the newspapers, one in English, one in Hindi and one in Gujarati (Gujarati being the regional language of Gujarat, where our Registered Office is located). Pursuant to Sections 13(8) and 27 of the Companies Act, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act and the SEBI ICDR Regulations.

Other confirmations

Except to the extent of any proceeds received pursuant to the sale of the Offered Shares by the Selling Shareholders in the Offer for Sale, none of our Directors, Promoters, Promoter Group, Key Managerial Personnel, Senior Management Personnel or Group Companies, will receive any portion of the Offer Proceeds. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Group Companies, Key Managerial Personnel and/or Senior Management Personnel.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to *"Risk Factors"*, "*Our Business*", *"Restated Consolidated Financial Statements"* and *"Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 29, 188, 280 and 347, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

1. One of the leading players in the domestic PEB industry with strong presence in international markets and market leader in the domestic self-supported roofing industry
2. We provide a wide range of specialised products and services, making us a comprehensive solution provider for our customers
3. Long-standing relationships with customers across a diverse set of industries with a strong order book
4. Strategically located manufacturing facilities for PEBs with comprehensive in-house design and engineering capabilities and 14 mobile manufacturing units for self-supported roofing systems
5. Experienced and dedicated promoters and professional management team with extensive domain knowledge
6. Sustained track record of strong financial performance

For further details, see "*Our Business – Our Strengths*" on page 192.

Quantitative factors

Certain information presented below, relating to our Company, is based on the Restated Consolidated Financial Statements. For details, see "*Restated Consolidated Financial Statements*" on page 280.

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

I. Basic and diluted earnings/ loss per share ("EPS"), as adjusted for change in capital

As per the Restated Consolidated Financial Statements:

Fiscal	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2024	9.17	9.17	3
2023	6.82	6.82	2
2022	4.01	4.01	1
Weighted Average	**7.53**	**7.53**	-

Note:
Basic and Diluted EPS= Restated consolidated net profit after tax for the year attributable to the equity shareholders of the parent company / Weighted average number of equity shares for basic and diluted EPS

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for Fiscal 2024	[●]	[●]
Based on diluted EPS for Fiscal 2024	[●]	[●]

Industry Peer Group P/E ratio

	P/E Ratio
Highest	101.11
Lowest	21.04
Industry Composite	48.65

Notes:
(1) The industry high and low has been considered from the industry peer set provided later in this section. For further details, see "- Comparison of accounting ratios with listed industry peers" on page 126.
(2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on September 17, 2024 divided by the Diluted EPS provided.
(3) All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited financial results of the company for the year ended March 31, 2024.

III. Average Return on Net Worth (“RoNW”)

As per Restated Consolidated Financial Statements:

Fiscal	RoNW (%)	Weight
Fiscal 2024	19.68%	3
Fiscal 2023	18.89%	2
Fiscal 2022	13.83%	1
Weighted Average	**18.44%**	-

Note:
Return on Net Worth (%) = Restated consolidated net profit after tax for the year attributable to the equity shareholders of the parent company / Restated Consolidated Net Worth as at the end of the year

IV. Net asset value per Equity Share (face value of ₹ 10 each)

Net Asset Value per Equity Share	(₹)
As on March 31, 2024	46.61
After the Offer	[●]
Offer Price	[●]

Note:
Net Asset Value per share = Total equity (excluding non-controlling interest) / Number of equity shares outstanding at the end of the year

V. Comparison of accounting ratios with listed industry peers

Name of the company	Face Value (₹ per share)	Revenue from operations *(in ₹ million)*	Basic EPS 2024 (₹)	Diluted EPS 2024 (₹)	P/E as on September 17, 2024	RONW (%)	NAV (₹)
M & B Engineering Limited	10.00	7,950.60	9.17	9.17	-	19.68%	46.61
Listed peers							
Pennar Industries Limited	5.00	31,305.70	7.29	7.29	23.27	11.22%	64.95
Bansal Roofing Products Limited	10.00	1,055.84	2.69	2.69	34.73	12.84%	20.94
HIL Limited	10.00	33,749.66	46.15	46.15	63.12	2.78%	1,661.39
Everest Industries Limited	10.00	15,754.52	11.42	11.33	101.11	3.01%	378.37
Interarch Building Products Limited	10.00	12,933.02	58.68	58.68	21.04	19.40%	308.43

Source: The financial information for our Company is based on the Restated Consolidated Financial Statements as at and for the financial year ended March 31, 2024.
The financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial statements of the respective company for the financial year ended March 31, 2024 submitted to the Stock Exchanges.

Notes:
(1) *Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company*
(2) *P/E Ratio has been computed based on the closing market price of equity shares on BSE on September 17, 2024 divided by the Diluted EPS provided.*
(3) *Return on net worth (RoNW) is computed as profit for the year attributable to common shareholders of the parent divided by net worth (excluding non-controlling interest), as at March 31, 2024*
(4) *NAV per equity share has been computed as the net worth attributable to common shareholders (excluding non-controlling interest) divided by the total number of shares outstanding, as at March 31, 2024.*

VI. Key performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse our business performance, which in result, help us in analysing the growth of business verticals in comparison to our peers. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated September 25, 2024. Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by our Statutory Auditors, by their certificate dated September 25, 2024.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "O*ur Business*", and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 188 and 347 respectively.

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 Directors of our Company), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; and (b) complete utilisation of the proceeds of the Fresh Issue as disclosed in "*Objects of the Offer*" on page 109, or for such other duration as may be required under the SEBI ICDR Regulations.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" beginning on page 1.

Metric	Explanation for the KPI
Revenue from Operations (₹ million)	Revenue from operations is used by the management to track the revenue of the business and in turn helps assess the overall financial performance of our Company and size of the business.
EBITDA (₹ million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
Restated Profit/ (Loss) for the Year (₹ million)	Restated Profit/ (Loss) for the year provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Return on Equity (%)	Return on Equity provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (%)	ROCE provides how efficiently our Company generates earnings before finance costs and taxes from the capital employed in the business.
Net Debt (₹ million)	Net Debt represents our net debt position as of the Balance Sheet date
Net Debt to EBITDA (times)	Net Debt to EBITDA is a measure of the extent to which our Company's EBITDA can cover our net debt. It helps evaluate our operational leverage
Net Debt to Equity (times)	Net Debt to Equity is a measure of the extent to which our Company can cover our net debt and represents our net debt position in comparison to our equity position. It helps evaluate our financial leverage
Net Fixed Assets Turnover Ratio (times)	Net fixed assets turnover ratio measures the efficiency of our Property, plant and equipment, Capital work-in-progress, Intangible assets, and Right-to-use assets
Net Working Capital Days (No of days)	Net Working Capital Days indicates our working capital requirements in days in relation to revenue generated from operations

Details of our KPIs as at/ for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022

(₹ in million, unless mentioned otherwise)

Metric	As at and or for the Financial Year ended March 31,		
	2024	2023	2022
Revenue from Operations (₹ million)	7,950.60	8,804.70	6,882.25
EBITDA (₹ million)	796.22	664.30	418.34
EBITDA Margin (%)	10.01%	7.54%	6.08%
Restated Profit/ (Loss) for the Year (₹ million)	456.34	328.92	163.13
PAT Margin (%)	5.65%	3.70%	2.33%
Return on Equity (%)	19.68%	18.89%	13.83%
Return on Capital Employed (%)	19.17%	19.70%	17.13%
Net Debt (₹ million)	1,056.10	231.40	71.28
Net Debt to EBITDA (times)	1.33	0.35	0.17
Net Debt to Equity (times)	0.45	0.13	0.05
Net Fixed Assets Turnover Ratio (times)	5.54	10.91	9.47
Net Working Capital Days (No of days)	111	66	65

Notes:

1. *The above financial information has been extracted or derived from the Restated Consolidated Summary Statements.*
2. *EBITDA is calculated as Restated Profit/ (Loss) for the year less Other income add Finance costs, Depreciation and amortisation, and Total income tax expenses*

3. *EBITDA Margin is calculated as EBITDA divided by Revenue from operations*
4. *PAT Margin is calculated as Restated Profit/ (Loss) for the year divided by Total income*
5. *Return on Equity is calculated as Restated Profit/ (Loss) for the year (Excluding share of minority in profits) divided by Total equity (Excluding non-controlling interest)*
6. *Return on Capital Employed is calculated as EBIT divided by Capital employed. Capital employed is calculated as the sum of Total equity (including non-controlling interest), Non-current borrowings and Current borrowings while EBIT is calculated as EBITDA add Other income less Depreciation and amortization*
7. *Net Debt is calculated as the sum of Non-current borrowings and Current borrowings less cash and cash equivalents and other bank balances*
8. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA*
9. *Net Debt to Equity is calculated as Net Debt divided by Total Equity (including non-controlling interest)*
10. *Net Fixed Assets Turnover Ratio is calculated as Revenue from operations for the year divided by Net Property, plant and equipment, Capital work-in-progress, Intangible assets, and Right-to-use assets*
11. *Net Working Capital Days is calculated as Net Working Capital divided by Revenue from operations multiplied by 365. Net Working Capital is calculated as Inventories add Trade Receivables less Trade Payables (micro and small enterprises and other than micro and small enterprises)*

Description on the historic use of the KPIs by us to analyse, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Bidders are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of our KPIs with our listed industry peers

(a) Comparison of KPIs of Fiscal 2024 with listed industry peers

Particulars	For Fiscal 2024					
	M & B Engineering Limited	Pennar Industries Limited	Bansal Roofing Products Limited	HIL Limited	Everest Industries Limited	Interarch Building Products Limited
Revenue from Operations (₹ million)	7,950.60	31,305.70	1,055.84	33,749.66	15,754.52	12,933.02
EBITDA (₹ million)	796.22	2,729.70	64.54	1,244.49	409.61	1,130.15
EBITDA Margin (%)	10.01%	8.72%	6.11%	3.69%	2.60%	8.74%
Profit/ (Loss) for the Year (₹ million)	456.34	983.50	35.46	347.85	179.98	862.62
PAT Margin (%)	5.65%	3.10%	3.35%	1.02%	1.13%	6.60%
Return on Equity (%)	19.68%	11.22%	12.84%	2.78%	3.01%	19.40%
Return on Capital Employed (%)	19.17%	15.31%	16.82%	1.87%	4.10%	25.96%
Net Debt (₹ million)	1,056.10	5,916.10	38.59	4,123.13	(186.28)	(1,274.99)
Net Debt to EBITDA (times)	1.33	2.17	0.60	3.31	NM	NM
Net Debt to Equity (times)	0.45	0.67	0.14	0.33	(0.03)	(0.29)
Net Fixed Assets Turnover Ratio (times)	5.54	3.42	3.59	2.35	3.29	7.36
Net Working Capital Days (No of days)	111	62	18	51	72	52

Source: The financial information for our Company is based on the Restated Consolidated Financial Statements as at and for the financial year ended March 31, 2024.
The financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial statements of the respective company for the financial year ended March 31, 2024 submitted to the Stock Exchanges.

(b) Comparison of KPIs of Fiscal 2023 with listed industry peers

Particulars	For Fiscal 2023					
	M & B Engineering Limited	**Pennar Industries Limited**	**Bansal Roofing Products Limited**	**HIL Limited**	**Everest Industries Limited**	**Interarch Building Products Limited**
Revenue from Operations (₹ million)	8,804.70	28,946.20	932.53	34,789.59	16,476.34	11,239.26
EBITDA (₹ million)	664.30	2,211.90	69.08	2,229.18	675.19	1,063.80
EBITDA Margin (%)	7.54%	7.64%	7.41%	6.41%	4.10%	9.47%
Profit/ (Loss) for the Year (₹ million)	328.92	754.30	41.71	971.03	423.59	814.63
PAT Margin (%)	3.70%	2.58%	4.46%	2.77%	2.51%	7.17%
Return on Equity (%)	18.89%	9.69%	17.34%	7.81%	7.29%	20.40%
Return on Capital Employed (%)	19.70%	13.54%	20.09%	8.25%	11.52%	27.16%
Net Debt (₹ million)	231.40	4,486.00	57.04	3,446.15	493.41	(1,078.23)
Net Debt to EBITDA (times)	0.35	2.03	0.83	1.55	0.73	NM
Net Debt to Equity (times)	0.13	0.58	0.24	0.28	0.08	(0.27)
Net Fixed Assets Turnover Ratio (times)	10.91	3.92	3.71	2.83	3.99	7.13
Net Working Capital Days (No of days)	66	71	31	50	99	62

Source: The financial information for our Company is based on the Restated Consolidated Financial Statements as at and for the financial year ended March 31, 2023.
In case of listed peers, the information for the Fiscal Year 2023 has been considered as per the comparative figures appearing in the audited financial statements/results for the Fiscal Year ended 2024.

(c) Comparison of KPIs of Fiscal 2022 with listed industry peers

Particulars	For Fiscal 2022					
	M & B Engineering Limited	Pennar Industries Limited	Bansal Roofing Products Limited	HIL Limited	Everest Industries Limited	Interarch Building Products Limited
Revenue from Operations (₹ million)	6,882.25	22,657.50	725.86	35,202.35	13,647.06	8,349.43
EBITDA (₹ million)	418.34	1,713.60	57.43	3,914.00	689.51	328.89
EBITDA Margin (%)	6.08%	7.56%	7.91%	11.12%	5.05%	3.94%
Profit/ (Loss) for the Year (₹ million)	163.13	419.10	39.39	2,104.42	440.85	171.33
PAT Margin (%)	2.33%	1.84%	5.42%	5.93%	3.16%	2.04%
Return on Equity (%)	13.83%	5.69%	19.81%	18.04%	8.13%	5.38%
Return on Capital Employed (%)	17.13%	10.14%	19.97%	21.16%	12.85%	8.41%
Net Debt (₹ million)	71.28	5,005.70	70.62	2,142.44	(1,654.69)	(883.98)
Net Debt to EBITDA (times)	0.17	2.92	1.23	0.55	NM	NM
Net Debt to Equity (times)	0.05	0.68	0.36	0.18	(0.31)	(0.28)
Net Fixed Assets Turnover Ratio (times)	9.47	3.15	3.75	3.09	3.27	5.50
Net Working Capital Days (No of days)	65	84	57	47	58	61

Source: The financial information for our Company is based on the Restated Consolidated Financial Statements as at and for the financial year ended March 31, 2022.
In case of listed peers, the information for the Fiscal Year 2022 has been considered as per the comparative figures appearing in the audited financial statements/results for the Fiscal Year ended 2023.

Notes relating to KPIs of Industry Peers:

1. *EBITDA is calculated as Profit/ (loss) for the year less Exceptional items, Share of profit/(loss) of equity accounted investees (net of tax), and Other income add Finance costs, Depreciation and amortisation, and Total income tax expenses*
2. *EBITDA Margin is calculated as EBITDA divided by Revenue from operations*
3. *PAT Margin is calculated as Profit/ (loss) for the year divided by Total income*
4. *Return on Equity is calculated as Profit/ (loss) for the year (Excluding share of minority in profits) divided by Total equity (Excluding non-controlling interest)*
5. *Return on Capital Employed is calculated as EBIT divided by Capital employed. Capital employed is calculated as the sum of Total equity (including non-controlling interest), Non-current borrowings and Current borrowings while EBIT is calculated as EBITDA add Other income and Share of profit/(loss) of equity accounted investees (net of tax) less Depreciation and amortization*
6. *Net Debt is calculated as the sum of Non-current borrowings and Current borrowings less cash and cash equivalents and other bank balances*
7. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA*
8. *Net Debt to Equity is calculated as Net Debt divided by Total Equity (including non-controlling interest)*
9. *Net Fixed Assets Turnover Ratio is calculated as Revenue from operations for the year divided by Net Property, plant and equipment, Capital work-in-progress, Goodwill, Intangible assets, Intangible assets under development and Right-to-use assets*
10. *Net Working Capital Days is calculated as Net Working Capital divided by Revenue from operations multiplied by 365. Net Working Capital is calculated as Inventories add Trade Receivables (current) less Trade Payables (micro and small enterprises and other than micro and small enterprises)*

Comparison of KPIs based on additions or dispositions to our business

Material acquisition or disposition of assets / business for the periods that are covered by the KPIs have no material impact on KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

VII. Weighted average cost of acquisition, floor price and cap price

(a) **Price per share of our Company based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring 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-Offer 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 ("Primary Issuances")**

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) 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-Offer 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.

(b) Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group, Selling Shareholders or other Shareholders of our Company with rights to nominate directors during the 18 months preceding the date of filing of the this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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 ("Secondary Transactions")

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

(c) Since there are no transactions to report under points (a) and (b), the following are the details based on the last five primary issuances and secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company, are a party to the transaction excluding transmissions and/or gift), not older than the three years preceding the date of this Draft Red Herring Prospectus, irrespective of the size of transactions

There have been no primary issuances or secondary transactions (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company, are a party to the transaction excluding transmission, gift), in the three years preceding the date of this Draft Red Herring Prospectus.

(d) Floor Price and Cap Price vis-a-vis the weighted average cost of acquisition at which the Equity Shares based on primary issuances/secondary transactions during the last three years:

Based on the disclosures in (a) and (b) above, the weighted average cost of acquisition of Equity Shares as compared with the Floor Price and Cap Price is set forth below:

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor price in ₹ [●]	Cap price in ₹ [●]
Weighted average cost of acquisition for last 18 months based on primary/new issue of shares (equity/ convertible securities), excluding shares issued under the employee	Not applicable	[●]	[●]

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor price in ₹ [●]	Cap price in ₹ [●]
stock options schemes and issuance of bonus shares, during the 18 months preceding the date of filing of this Daft Red Herring 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-Offer 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			
Weighted average cost of acquisition for last 18 months based on secondary sale/acquisition of shares equity/convertible securities), where the Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on our Board or Selling Shareholder in the Board are a party to the transaction (excluding transmission and gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, 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-Offer 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	Not applicable	**[●]**	**[●]**
Since there are no transactions to report under (a) and (b) above, the following are the details based on the last five primary and secondary transactions (secondary transactions where Promoter(s), members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate Director(s) to the Board of our Company, are a party to the transaction excluding transmission), during the three years preceding the date of this Draft Red Herring Prospectus, irrespective of the size of transactions:			
Weighted average cost of acquisition of Primary Issuances	Not applicable	**[●]**	**[●]**
Weighted average cost of acquisition of Secondary Transactions	Not applicable	**[●]**	**[●]**

Note: The above details have been certified by our Statutory Auditors, by their certificate dated [●], 2024.

VIII. Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in VII above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022.

[●]*

**To be included on finalisation of Price Band*

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

[●]*****

**To be included on finalisation of Price Band*

X. The Offer price is [●] times of the face value of the Equity Share

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Financial Information*" beginning on page 29, 188, 347 and 280 respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in "*Risk Factors*" on page 29 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

Date: September 23, 2024

The Board of Directors,
M & B Engineering Limited
MB House, 51, Chandrodaya Society
Opposite Golden Triangle Stadium Road
Post Navjivan,
Ahmedabad – 380 014
Gujarat, India

Dear Sirs/ Madams,

Sub: Statement of possible special tax benefit (the "Statement") available to M & B Engineering Limited (the "Company"), its shareholders and Phenix Building Solutions Private Limited (the "Material Subsidiary"), prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the "SEBI ICDR Regulations)

We, Talati & Talati LLP Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose ("**Statement**") for the proposed initial public offering by the Company ("**Offer**"), provides the possible special tax benefits available to the Company, its shareholders and the Material Subsidiary under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961 read with Income-tax Rules, 1962, as amended by the Finance Act, 2024 and Finance Act(2) 2024, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26 (together the "Direct Tax Laws") the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 read with riles, circulars and notifications (collectively, "**GST Act**"), Customs Act, 1962 and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto) and Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade Policy 2023 - 2028 (FTP), each as amended and presently in force in India (collectively referred as "Indirect Tax Laws" and along with "Direct Tax Laws", the "Tax Laws") Several of these benefits are dependent on the Company, its shareholders or the Material Subsidiary fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company, its shareholders and/or the Material Subsidiary identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

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

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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

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

1. the Company or its shareholders or the Material Subsidiary will continue to obtain these benefits in the future; or
2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.
3. The revenue authorities/courts will concur with the views expressed herein.

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

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.We also consent to the inclusion of this certificate as a part of "Material Contracts and Documents for Inspection" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/Offer Closing Date including through physical means at our Registered Office and online means on the website of the Company.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We hereby consent to this Statement being included in the Draft Red Herring Prospectus in relation to the Offer and/or submission of this Statement as may be necessary, to any regulatory/ statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

Yours faithfully,

For Talati & Talati LLP
Chartered Accountants
Firm Registration Number: 110758W/W100377)

Umesh Talati
Partner
Membership No.: 034834
UDIN: 24034834BKALMA1274
Place: Ahmedabad

ANNEXURE A

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

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

I. Special Direct tax benefits available to the Company

Income-Tax @22% and applicable Education Cess and Surcharge as per Section 115BAA of Income Tax Act, 1961.

Deductions from Gross Total Income

- Section 80JJAA: Deduction in respect of employment of new employees

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

The deduction u/s 80JJAA of the Act shall be applicable even if the Company avail the benefits of the special rate u/s 115BAA of the Act.

- Section 80M of the Act: Deduction in respect of inter-corporate dividends

A new Section 80M had been inserted by the Finance Act, 2020 w.e.f. FY 2020-21 providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust to the extent it does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

Where the company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deduction under Section 80M of the Act. The deduction u/s 80M of the Act shall be applicable for the company availing the benefits of the special rate u/s 115BAA of the Act.

Higher cost of acquisition benefit in relation to long term capital asset being shares of company referred to in section 112A of the Act.

Surcharge on all long-term capital gains capped at 15%

The Finance Act 2022 has capped the surcharge on LTCG on sale of unlisted equity shares to 15% from erstwhile graded surcharge up to 37%.

Surcharge on personal income capped at 25% for individuals opting concessional tax regime under section 115BAC

The Finance Act 2023 has capped surcharge on total income of individual assessee's opting for concessional tax regime under section 115BAC to 25% (instead of earlier surcharge of 37% for individuals having total income exceeding Rs. 5 crores).

II. Special Indirect tax benefits available to the Company

No Special Indirect tax benefits available.

Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962:

As per Section 75 of the Customs Act, the Central Government is empowered to allow duty drawback on export of goods. The Company is availing duty drawback under Section 75 of the Customs Act read with Notification No. 77/2023-Cus. (N.T.) dated 20 October 2023.

Benefits under the Central Goods and Services Act, 2017, respective State / Union Territory Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017 (read with relevant rules prescribed thereunder):

Under the GST regime, supplies of goods or services which qualify as 'export' of goods or services are treated as zero-rated supplies which can be supplied either with or without payment of Integrated Goods and Services Tax (hereinafter referred to as "IGST") subject to fulfilment of conditions prescribed. The exporter has the options as under:

To undertake exports under cover of a Bond/ Letter of Undertaking (hereinafter referred to as "LUT") without payment of IGST and claim refund of accumulated Input Tax Credit subject to fulfilment of conditions prescribed under the provisions of Section 54 of the Central Goods and Services Tax Act, 2017.

To undertake export with payment of IGST and claim refund of IGST paid on such exports as per the provisions of Section 54 of the Central Goods and Services Tax Act, 2017.

Thus, the GST law permits a supplier undertaking zero rated supplies (which will include the supplier making supplies to SEZ) to claim refund of tax paid on exports as IGST (by undertaking exports on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies. The Company undertakes export of goods without payment of IGST basis the LUT as prescribed under the GST law. In such case, it will have the option of claiming refund of unutilized input tax credit, subject to fulfilment of all prescribed conditions. Currently, the Company is able to utilise its input tax credit and is not exercising the option of filing a refund claim.]

III. Special Direct tax benefits available to the Material Subsidiary

Income-Tax @22% and applicable Education Cess and Surcharge as per Section 115BAA of Income Tax Act, 1961.

Deductions from Gross Total Income

- Section 80JJAA: Deduction in respect of employment of new employees

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

The deduction u/s 80JJAA of the Act shall be applicable even if the Company avail the benefits of the special rate u/s 115BAA of the Act.

- Section 80M of the Act: Deduction in respect of inter-corporate dividends

A new Section 80M had been inserted by the Finance Act, 2020 w.e.f. FY 2020-21 providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust to the extent it does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

Where the company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deduction under Section 80M of the Act. The deduction u/s 80M of the Act shall be applicable for the company availing the benefits of the special rate u/s 115BAA of the Act.

Higher cost of acquisition benefit in relation to long term capital asset being shares of company referred to in section 112A of the Act.

Surcharge on all long-term capital gains capped at 15%

The Finance Act 2022 has capped the surcharge on LTCG on sale of unlisted equity shares to 15% from erstwhile graded surcharge up to 37%.

Surcharge on personal income capped at 25% for individuals opting concessional tax regime under section 115BAC

The Finance Act 2023 has capped surcharge on total income of individual assessee's opting for concessional tax regime under section 115BAC to 25% (instead of earlier surcharge of 37% for individuals having total income exceeding Rs. 5 crores).

IV. Special Indirect tax benefits available to the Material Subsidiary

No Special Indirect tax benefit available.

V. Special tax benefits available to Shareholders

No Special tax benefits available.

Notes:

i. The above Statement of Tax benefits sets out the special tax benefits available to the Company, its shareholders and the Material Subsidiary, under the tax laws mentioned above.
ii. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
iii. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
iv. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
v. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.

INDUSTRY OVERVIEW

1. GLOBAL MACROECONOMIC ASSESSMENT

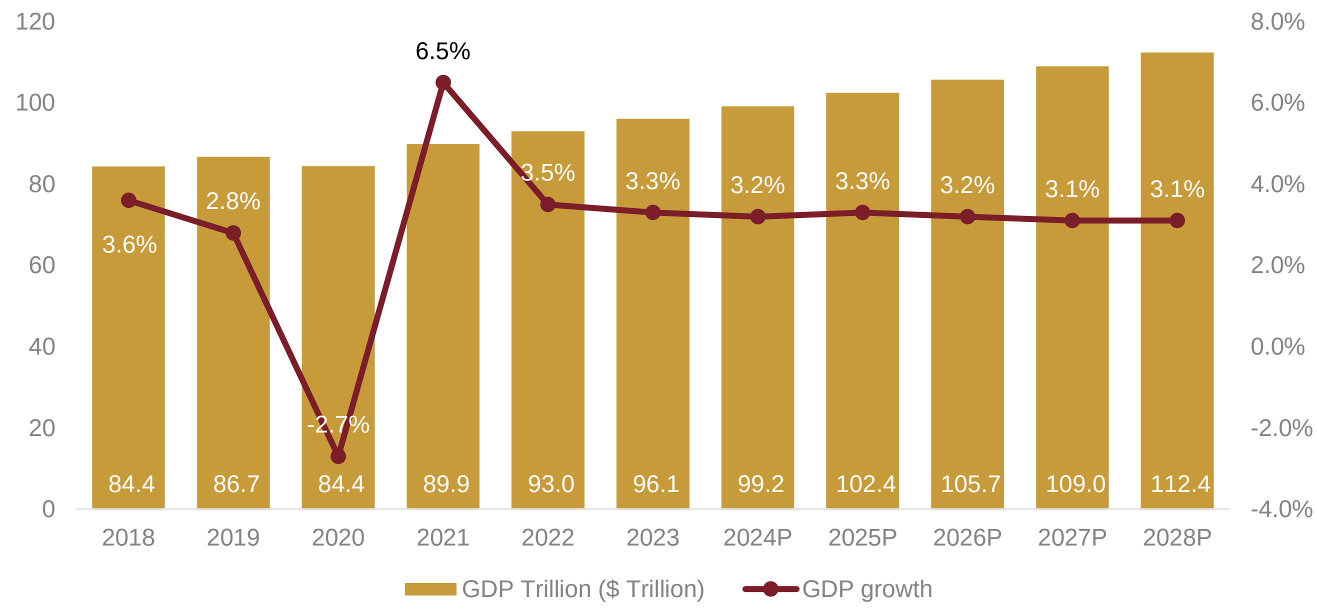
1.1 Global GDP outlook

Global GDP is estimated to grow 3.2% in calendar years 2024 and 2025 amid moderating inflation and steady growth in key economies

The International Monetary Fund (IMF), in its July 2024 update, estimated global gross domestic product (GDP) growth at 3.3% for calendar 2023 and projected the growth rate of 3.2% for 2024. The estimate for 2025 is 0.1 percentage point higher than the fund's previous forecast in April 2024. Emerging market and developing economies are also expected to experience stable growth through 2024 and 2025, with regional differences.

With disinflation and steady growth, the likelihood of a hard landing of the economy has receded, and risks to global growth are broadly balanced. Amid favourable global supply developments, inflation has been falling faster than expected. On the upside, faster disinflation could lead to further easing of financial conditions. The property sector distress in China or elsewhere and a disruptive turn to tax hikes and spending cuts could also lead to moderation in growth in the near term.

Global GDP trend and outlook (2018-2028P, $ trillion)



Note: E – estimated; P – projected
Sources: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A)

India among fastest-growing major economies

Following the recovery from the Covid-19 pandemic, India saw a faster growth of 7.0% in fiscal 2023, surpassing advanced economies, which grew 2.6%, and emerging and developing economies, which grew 4.1%. The trend is expected to continue, with the country leading the growth among its key counterparts.

United States: The growth in the United States is projected to shift from 2.5% in 2023 to 2.6% in 2024 and 1.9% in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets, slowing the aggregate demand.

For **emerging and developing economies**, the growth is projected to be relatively stable at 4.3% in 2024 and 2025, respectively.

Real GDP growth comparison between India and advanced and emerging economies

Real GDP growth (Annual % change)	2018	2019	2020	2021	2022	2023	2024P	2025P	2026P	2027P	2028P
Australia	2.8	1.8	-2.1	5.6	3.9	2.0	1.4	2.0	2.1	2.2	2.2
Canada	2.7	1.9	-5.0	5.3	3.8	1.2	1.3	2.4	1.9	1.7	1.7

Real GDP growth (Annual % change)	2018	2019	2020	2021	2022	2023	2024P	2025P	2026P	2027P	2028P
China	6.8	6.0	2.2	8.4	3.0	5.2	5.0	4.5	3.8	3.6	3.4
European Union	2.3	2.0	-5.5	6.1	3.7	0.6	1.2	1.8	1.7	1.6	1.6
India*	6.5	3.9	-5.8	9.7*	7.0*	8.2*	6.8*	6.5	6.5	6.5	6.5
UK	1.4	1.6	-10.4	8.7	4.3	0.1	0.7	1.5	1.7	1.7	1.6
US	3.0	2.5	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1
Advanced economies	2.3	1.8	-3.9	5.7	2.6	1.7	1.7	1.8	1.8	1.7	1.7
Emerging market and developing economies	4.7	3.6	-1.8	7.0	4.1	4.4	4.3	4.3	4.1	4.0	3.9
World	3.6	2.8	-2.7	6.5	3.5	3.3	3.2	3.3	3.2	3.1	3.1

Notes: P- projected
** Numbers for India are for financial year from April to March (2020 is FY21 and so on) and as per the IMF's forecast.*
^India GDP for the FY24 is 8.2% according to provisional estimates of the Ministry for Statistics and Programme Implementation (MoSPI). Projection is as per the IMF update
Source: IMF economic database, World Bank national accounts data, OECD national accounts data, CRISIL MI&A

Per capita GDP of emerging market and developing economies faster than the global average

Global per capita GDP clocked a CAGR of 3.1% between 2018 and 2023. In comparison, emerging markets and developing economies saw a CAGR of 4.4% during the period, according to the IMF.

Meanwhile, India witnessed a higher per capita GDP CAGR of 4.8%.

GDP per capita, current prices ($)

Regions	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	CAGR (2018-23)
Australia	56,434	54,396	53,253	64,327	65,575	65,434	66,589	68,614	70,751	72,808	75,320	3.0%
Canada	46,618	46,431	43,573	52,521	55,613	53,548	54,866	57,021	58,907	60,729	62,636	2.8%
China	9,849	10,170	10,525	12,572	12,643	12,514	13,136	14,037	14,929	15,834	16,782	4.9%
European Union	36,020	35,290	34,516	38,950	37,659	41,129	42,443	43,947	45,493	46,993	48,529	2.7%
UK	43,275	42,713	40,246	46,704	45,730	49,099	51,075	53,627	56,759	59,870	63,279	2.6%
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	3,265	3,573	3,911	4.8%
USA	63,165	65,505	64,367	70,996	77,192	81,632	85,373	87,978	90,903	94,012	97,231	5.3%
Emerging and developing Asia	5,417	5,604	5,634	6,584	6,692	6,703	7,062	7,548	8,045	8,561	9,109	4.4%
Middle East (region)	11,915	11,364	9,648	11,544	13,757	13,366	13,818	14,286	14,735	15,227	15,701	2.3%
Advanced economies	48,191	48,481	47,476	52,853	53,562	56,243	58,258	60,382	62,616	64,852	67,227	3.1%
World	11,472	11,518	11,111	12,527	12,894	13,359	13,836	14,368	14,946	15,533	16,148	3.1%

Notes: E – estimated; P – projected
Source: IMF, CRISIL MI&A

1.2 Overview of investments

Global foreign direct investment (FDI) decreased marginally by 2% in CY2023

Global foreign direct investment (FDI) in CY2023 decreased marginally, by 2 per cent, to $1.3 trillion.

Greenfield investment project announcements provided a bright spot with project numbers increased by 2%, with the growth concentrated in manufacturing, interrupting a decade-long trend of gradual decline in the sector. Furthermore, growth was concentrated in developing countries, where the number of projects was up by 15%. In developed countries new project announcements were down 6%.

Global FDI (comparison CY2022 v/s CY2023)

FDI (Value)	Cross-border M&As	Green field projects	International project finance
			
Decreased by ~2%	**Decreased by ~46%**	**Increased by 2%**	**Decreased by ~23%**

Source: UNCTAD, CRISIL MI&A Consulting

Greenfield projects in developing economies are regaining lost ground

Developing countries accounted for almost half of all announcements at the start of the last decade, but their share had gradually fallen to one third by 2020. However, developing regions have regained momentum over the past few years and the number of projects has grown rapidly following the pandemic, almost doubling from their recent nadir. Developing countries accounted for 43% of greenfield project announcements in CY2023 compared to 33% in 2020.

Number of announced greenfield projects (2021-2023)

Region/ economies	2021	2022	2023	Percentage change (2022-23)
Developed economies	10,438	11,112	10,435	-6%
• Europe	7,545	7,676	7,041	-8%
• North America	2,084	2,491	2,499	0%
• Other developed economies	809	945	895	-5%
Developing economies	5,076	6,949	8,007	15%
• Africa	558	775	830	7%
• Asia	3,275	4,749	5,798	22%
• Latin America and the Caribbean	1,241	1,417	1,366	-4%
• Oceania	2	8	13	63%
World	15,514	18,061	18,442	2%

Source: UNCTAD, CRISIL MI&A

2. MACROECONOMIC ASSESSMENT OF INDIA

2.1 GDP outlook

India GDP logged 5.9% CAGR between FY12 and FY24

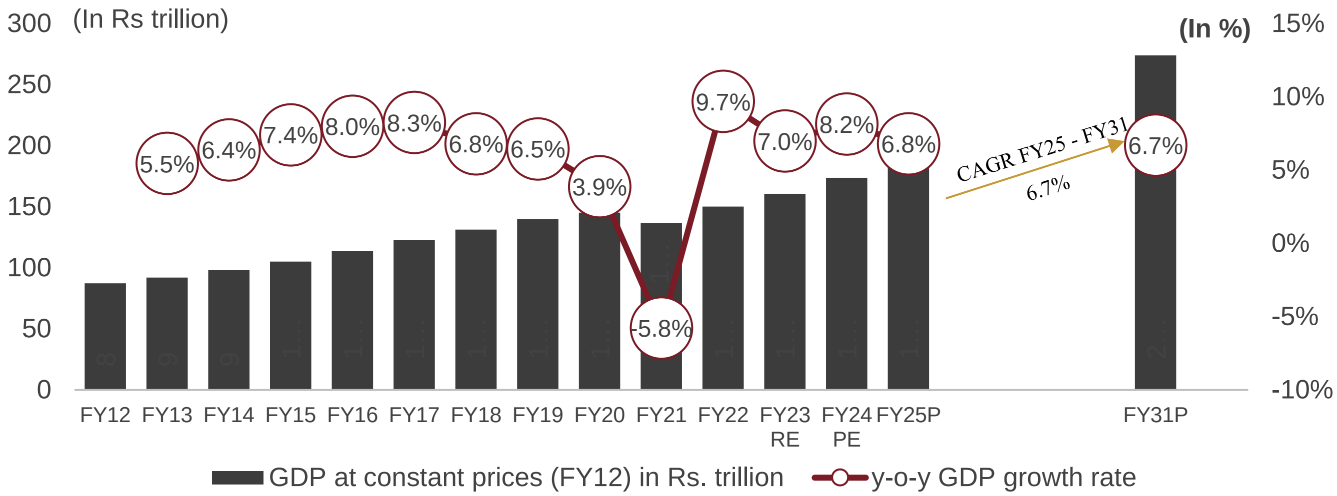
India’s GDP grew at 5.9% compounded annual growth rate (CAGR) between FY12 and FY24 to Indian Rupees (INR) 174 trillion in FY24 from INR 87 trillion in FY12. A large part of the lower growth rate was because of challenges heaped by the Covid-19 pandemic in FY20 and FY21. In FY22, the economy recovered with abating of the pandemic and subsequent easing of restrictions and resumption in economic activity.

In fiscal 2023, GDP rose 7% on continued strong growth momentum, propelled by investments and private consumption. In fact, the share of investments in GDP rose to an 11-year high of 34.0% and that of private consumption to an 18-year high of 58.5%.

The National Statistics Office (NSO) in its provisional estimates of Annual Gross Domestic Product (GDP) for FY24, estimated India’s real GDP growth to be 8.2% which is higher than its Second Advanced Estimate of 7.6%. The government’s investment push, along with easing input cost pressures for industry, has also played a major role in shoring up the growth.

An analysis of the fiscal 2024 growth reveals notable dichotomies. The growth was primarily fuelled by fixed investments, exhibiting a robust 9.0% expansion, while private consumption growth lagged behind at 4.0%, trailing overall GDP growth. On the supply side, the manufacturing sector experienced the most substantial growth at ~9.9%, while agriculture exhibited more modest growth rate of 1.4%. These trends underscore the varied performance across sectors, highlighting the nuanced dynamics shaping India's economic landscape in FY24. Overall, real GDP of India is estimated to have grown at 8.2% in FY24 compared with 7.0% in FY23.

India real GDP growth at constant prices (new series)

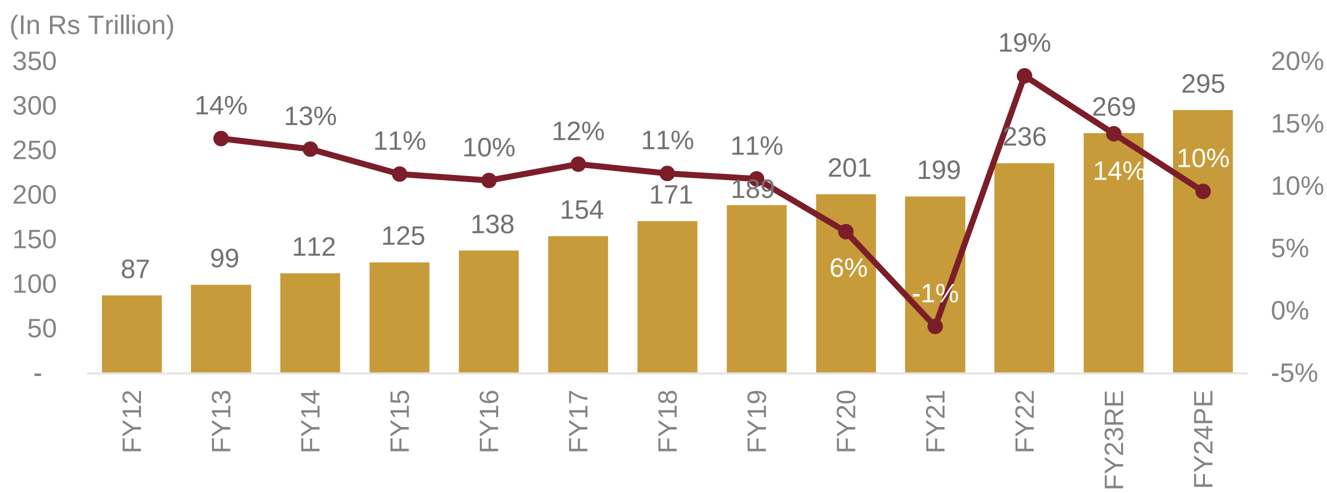


Notes: RE – revised estimates4, P – projection
The values are reported by the government under various stages of estimates
Actuals, estimates and projected data of GDP are provided in the bar graph
Source: Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A

Nominal GDP recorded 10.6% CAGR between FY12 and FY24

India's nominal GDP logged ~10.6% CAGR between fiscals 2012 and 2024 to reach INR 295 trillion from INR 87 trillion.

India nominal GDP growth at current prices (new series)



Notes: RE – revised estimates, PE – provisional estimates
Source: Press Information Bureau of India (PIB), MoSPI, CRISIL MI&A

India's economy to grow 6.8% in fiscal 2025, pace to sustain till fiscal 2031

Post strong GDP prints in the past three fiscals, CRISIL expects India's GDP growth to moderate to 6.8% this fiscal, owing to the government's focus on fiscal consolidation, rising borrowing costs and waning of pent-up demand for services. Also, the manufacturing sector, investments in infrastructure and domestic demand are expected to remain resilient.

Over fiscal 2025 to 2031, CRISIL expects the pace of GDP growth to sustain, averaging 6.7%, thereby making India the third-largest economy in the world.

A large part of this growth will be because of capital investments. Within this space, the share of private sector in capital investments is expected to increase as the government continues to focus on fiscal consolidation. The manufacturing and service sectors are expected to grow at 9.1% and 6.9% CAGR, respectively, over the period, with the service sector remaining the dominant growth driver, thereby contributing to 55.5% share in GDP by fiscal 2031 vs. 20.0% share in the case of the manufacturing sector.

That said, the manufacturing sector is expected to grow at a faster pace between fiscals 2025-2031 vs. years between fiscal 2011 and 2020. Over the next seven years, as global growth is expected to be relatively tepid and the trade environment restrictive, domestic demand will play an important role in supporting the growth of the manufacturing sector.

India to transition to upper middle-income country by fiscal 2031

India's per capita income, a broad indicator of living standards, rose from INR 63,462 in FY12 to INR 99,404 in FY23, logging 4.4% CAGR. Growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR. Furthermore, according to FY24PE, per capita net national income (constant prices) is estimated to have increased to INR 106,774; thereby registering a year-on-year growth of ~7.4%.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22	FY23	FY24PE
Per-capita NNI (INR)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,420	86,034	94,054	99,404	106,744
Y-o-Y growth (%)		3.3%	4.6%	6.2%	6.7%	6.9%	5.5%	5.2%	2.5%	-8.9%	9.3%	5.7%	7.4%

RE – revised estimates, PE- provisional estimates
Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, CRISIL MI&A

2.2 Demographic factors support India's growth

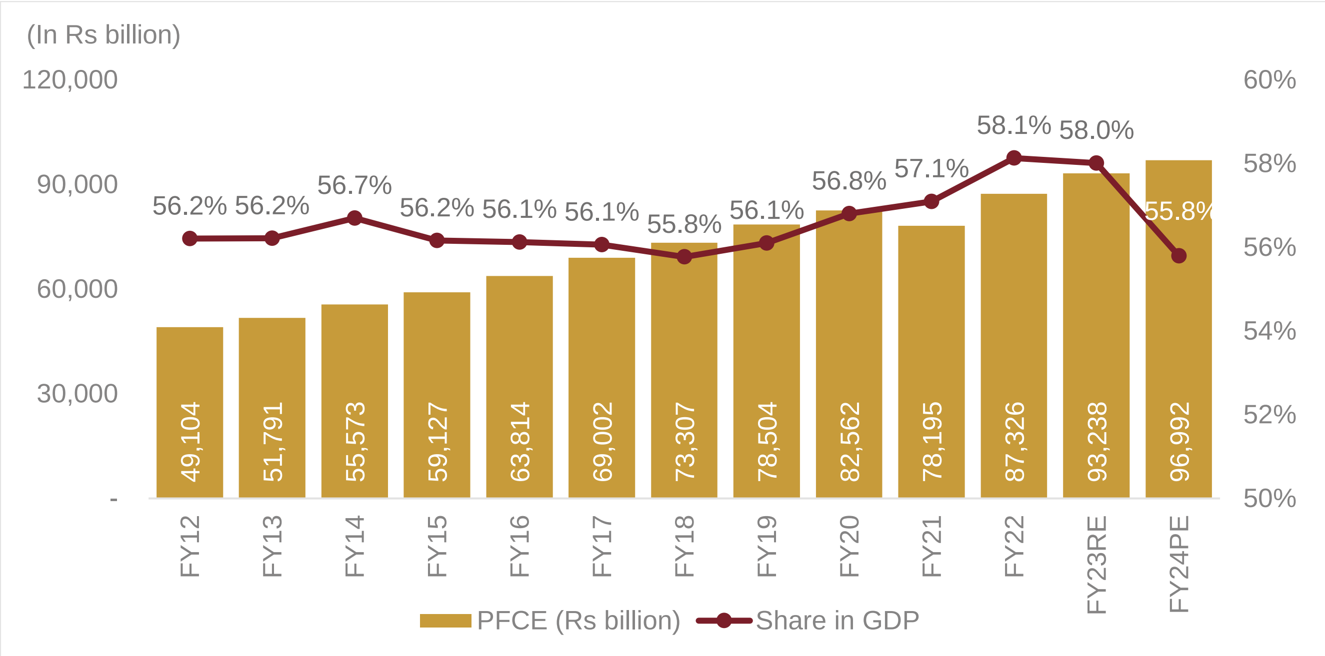
India's population projected to increase at 0.8% CAGR between 2020 and 2030

As per Census 2011, India's population was ~1.2 billion, which was a CAGR of 1.9% between 2001-2011. During the year, the number of households was estimated at ~246 million. And as per the United Nations Population Fund's State of World Population Report of 2023, India's population by mid-2023 surpassed China by ~2.9 million.

Private final consumption expenditure to maintain dominant share in India's GDP

Private final consumption expenditure (PFCE) at constant prices clocked 6% CAGR between FY12-23, maintaining its dominant share of ~58.0% in FY23 (~INR 93,238 billion in absolute terms, up 6.8% year-on-year). Growth was led by healthy monsoon, wage revisions due to the implementation of the Seventh Central Pay Commission's (CPC) recommendations, benign interest rates, growing middle age population and low inflation. As of FY24PE, PFCE is estimated to have further increased to INR 96,055 billion, registering a y-o-y growth of ~3% and forming ~56% of India's GDP.

PFCE at constant prices



RE – revised estimates; PE- provisional estimates
Source: MoSPI, CRISIL MI&A

2.3 Gross value added (GVA)

Healthy growth of gross value added in fiscal 2024 in line with GDP growth

As of FY24PE, GVA has reached to INR 158.7 trillion, up from INR 148.0 trillion, registering a y-o-y growth of ~7.2%. Financial, Real Estate & Professional Services had the highest contribution to GVA at ~23.3%, whereas construction and manufacturing GVA had the registered the highest annual growth at ~9.9%.

GVA at constant prices

INR trillion	FY12	FY19	FY20	FY21	FY22	FY23 RE	FY24 PE	Share in GVA FY24	Annual growth in FY24
Agriculture, forestry and fishing	15.0	18.8	19.9	20.7	21.7	22.7	23.0	14.5%	1.4%
Mining and quarrying	2.6	3.3	3.2	2.9	3.1	3.2	3.4	2.1%	7.1%
Manufacturing	14.1	23.3	22.6	23.3	25.6	25.0	27.5	17.3%	9.9%
Electricity, gas, water supply & other utility services	1.9	2.9	3.0	2.9	3.2	3.5	3.7	2.4%	7.5%
Construction	7.8	10.3	10.4	10.0	11.9	13.1	14.4	9.0%	9.9%
Trade, Hotels, Transport, Communication & Services related to Broadcasting	14.1	25.4	26.9	21.5	24.8	27.8	29.6	18.6%	6.4%
Financial, Real Estate & Professional Services	15.3	27.1	29.0	29.5	31.2	34.1	36.9	23.3%	8.4%
Public Administration, Defence & Other Services	10.3	16.3	17.3	16.0	17.2	18.8	20.2	12.7%	7.8%
Total GVA at current prices	**81.1**	**127.3**	**132.4**	**126.9**	**138.8**	**148.0**	**158.7**	**100.0%**	**7.2%**

RE – revised estimate, PE- provisional estimates
Source: MoSPI, CRISIL MI&A

Manufacturing IIP increased to 144.6 in fiscal 2024

The Index of Industrial Production (IIP) for manufacturing rose to 144.6 in fiscal 2024 from 104.8 in fiscal 2013. The manufacturing sector is a significant contributor to the country's overall industrial growth, with 78% weightage in the overall IIP as of fiscal 2023.

India's manufacturing value added as a % of GDP has potential to increase further

In calendar year 2023, India's manufacturing value added, expressed as a percentage of the country's GDP, stood at 12.8%. India flared better than countries UK (8.4%). However, India's manufacturing value as percentage of GDP was lower than the world average of 15.3%, suggesting scope for further improvement.

Manufacturing value added as a percentage of GDP

Country	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023
Bangladesh	20.8	21.2	20.6	21.2	21.8	22.3
Brazil	10.5	10.3	10.7	11.9	13.1	13.3
China	27.8	26.8	26.3	27.5	27.1	26.2
India	14.9	13.5	14.1	14.4	13.1	12.8
Malaysia	21.5	21.4	22.2	23.4	23.4	23.0
South Asia	14.9	14.1	14.5	14.8	14.1	13.8
United Kingdom	9.0	8.8	9.0	8.7	8.4	8.5
United States	11.3	11.0	10.5	10.6	N.A.	N.A.
World	16.4	16.0	16.0	16.5	15.8	15.3

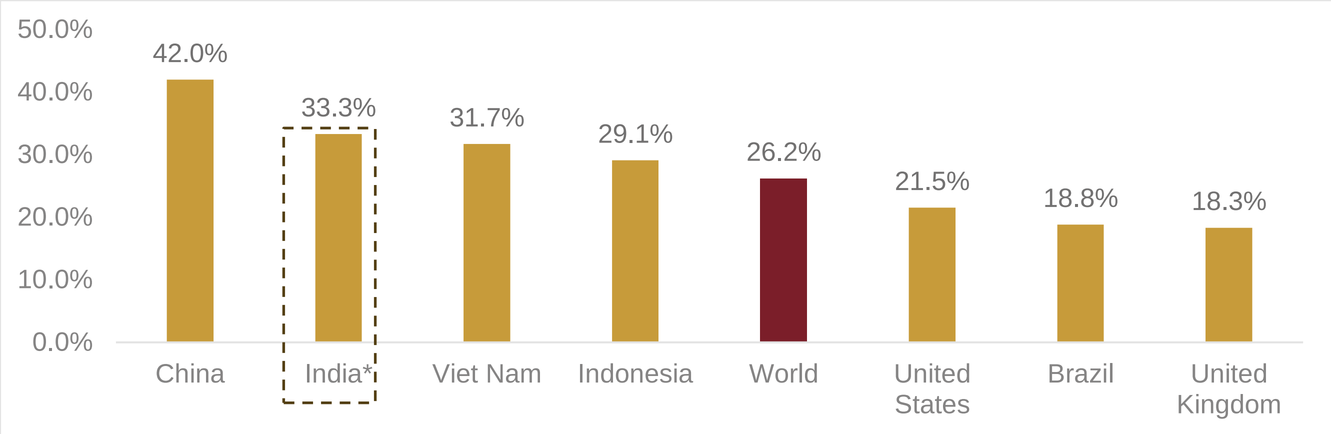
Source: World Bank, CRISIL MI&A

Increased infrastructure spending by the government, coupled with increase in the industrial capex driven by sectors like metal and oil and gas, is expected to have favourable effect on the manufacturing sector in India. This boost in manufacturing sector in India, will also indirectly increase the demand the pre-engineered buildings in the country.

India's gross fixed capital formation as % of GDP to have further improved in fiscal 2024

Gross fixed capital formation (GFCF) measures the level of investment in creating physical assets and infrastructure, which plays a crucial role in fostering economic growth and development. As of 2022, India's GFCF as a % of GDP was 33.3% (fiscal 2023), higher than the world average of 26.2%.

GFCF % of GDP (2022)



*Note: *India's GFCF as a percentage of GDP for the fiscal 2023 according to provisional estimates of the MoSPI has been considered for the above chart.*

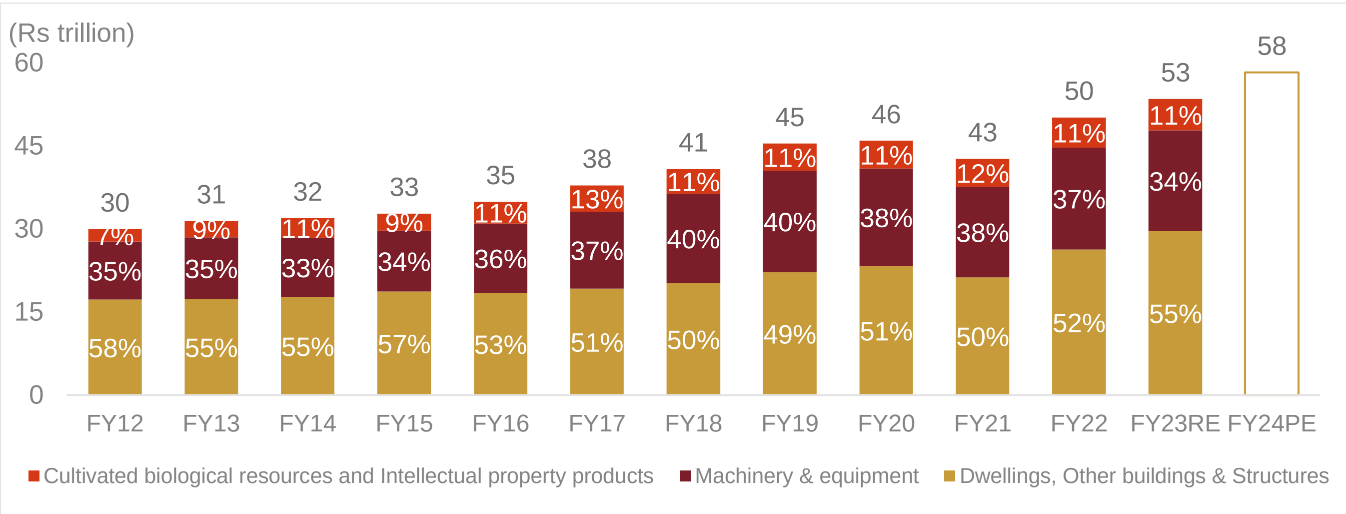
This is a sharp reversal from fiscals 2020 and 2021, when the GFCF had fallen to 31.6% and 31.2% of GDP, respectively, as investments in physical assets were impacted by disruptions in supply chains and business operations owing to the pandemic.

To be sure, India's GFCF has been on an uptrend, except for a decline in fiscal 2021, which was because of the pandemic and subsequent economic slowdown. It rebounded in fiscal 2022, reaching INR 50 trillion, which was a notable rise from INR 30 trillion in fiscal 2012. GFCF rose further to ~INR 53 trillion in fiscal 2023.

A large part of the rise in fiscal 2023 was because of dwellings, other buildings and structures, which had a significant 55% weightage in the GFCF. Key factors contributing to the vertical's dominant share were economic growth, the government's commitment to infrastructure development, particularly in roads, railways, and energy projects, and increase in FDI, which boosted private sector investment. Also providing lift were a growing middle class and increasing urbanisation, which increased the demand for housing and commercial properties, thereby stimulating investment in the construction sector.

As per the provisional estimates for fiscal 2024, GFCF further increased to INR 58 trillion, which was an on-year growth of ~9%.

GFCF trend in India

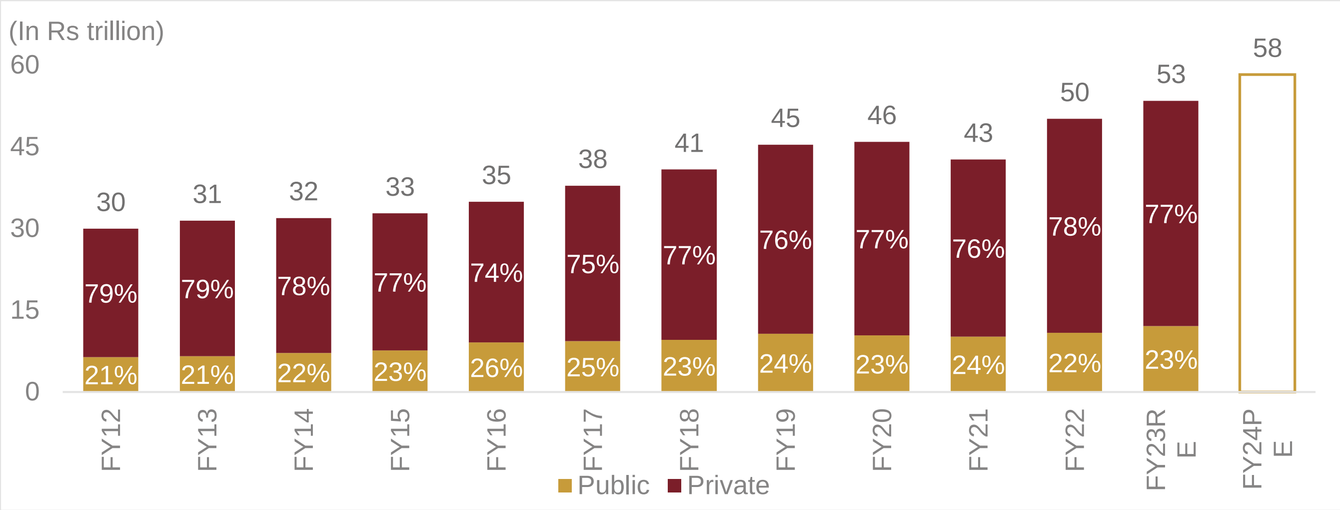


RE – revised estimate, PE - provisional estimate
Source: MoSPI, CRISIL MI&A

Private sector is a major contributor to GFCF

The distribution of GFCF between the private and public sectors has been relatively constant in India, with the private sector consistently the predominant contributor. In fiscal 2023, the private sector accounted for 77% of total GFCF.

Share of public and private sectors in GFCF



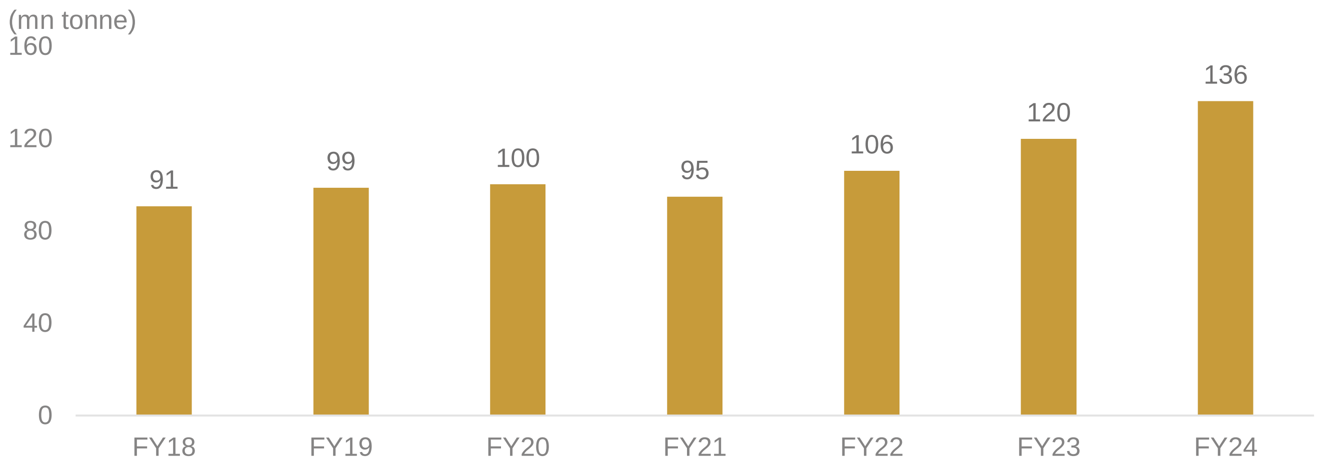
RE – revised estimate, PE – provisional estimate
Note: Private fixed capital formation includes household sector
Source: MoSPI, CRISIL MI&A

India steel consumption is expected to rise on investments in infrastructure

Finished steel consumption grew from 91 million tonne (MT) in fiscal 2018 to 136 MT in fiscal 2024 owing to strong demand from allied sectors and the government's capital spending drive. However, demand had declined in fiscal 2021 to 95 MT from 100 MT in fiscal 2020 following the onset of the pandemic.

The government's initiatives, such as Make in India, Smart Cities Mission, Production Linked Incentive (PLI) and Pradhan Mantri Awas Yojana, have supported steel demand during the period.

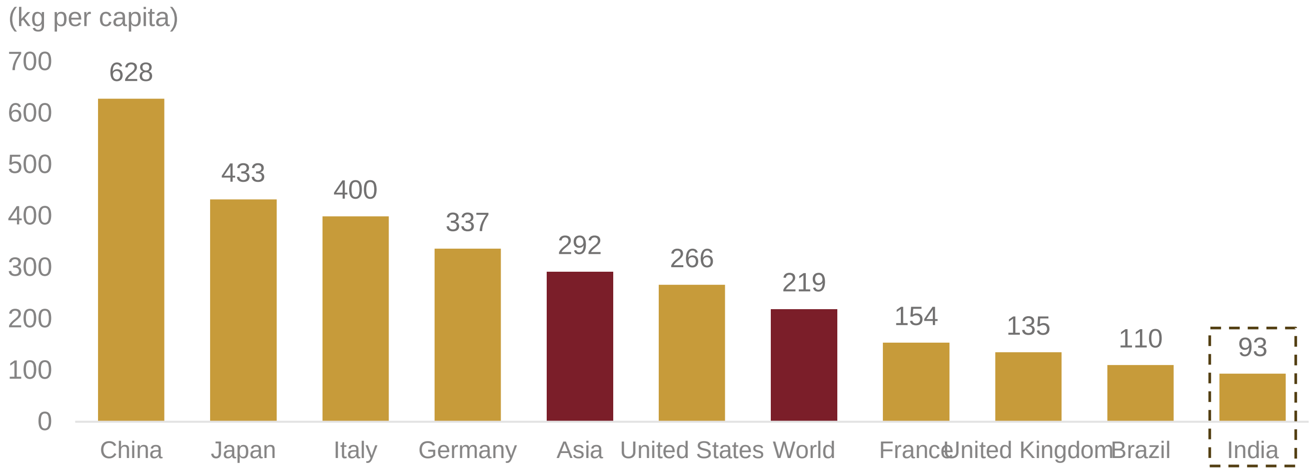
Finished steel (alloy/stainless + non-alloy) consumption in India



Source: Ministry of Steel annual report, Joint Plant Committee (JPC), CRISIL MI&A

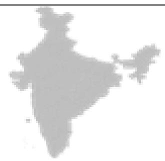
However, India has considerable scope to enhance steel usage across various sectors. As of 2023, the country's annual per capita apparent steel consumption was 93 kg per annum vs. the world's average of 219 kg.

Apparent steel use (kg) per capita in 2023



Source: World Steel Association, CRISIL MI&A

Construction occupies dominant position in steel

Steel demand from building and infrastructure	
World average	**India**
 **50-60%**	 **55-65%**

Note: World average is for calendar year 2023 and includes demand from other transport, corresponding number for India is of fiscal year 2024
Source: World Steel Association, Crisil MI&A

In India, steel demand from the building, construction and infrastructure sectors constitutes 55-65% of the total domestic steel demand. This is in line with the overall global consumption patterns, where building and construction (including other transport) account for 55-60% of the total steel demand.

Steel inflation cooled down in fiscal 2024

Factors like muted global demand, geopolitical issues, cheaper imports and better realisations in the domestic market helped in price correction in Financial Years 2023 and 2024. This price correction in steel had been a favourable development for suppliers in the pre-engineered building (PEB) sector, given that steel constitutes a significant input cost for PEB construction. Notably, the operating and profitability margins of almost all major PEB players showed improvement in Financial Year 2023 compared to Financial Year 2022, reflecting the positive impact of the steel price correction on the sector.

2.4 Major government initiatives to boost infrastructure in India

Growth driver	Description
National Infrastructure Pipeline (NIP)	The NIP entails an investment of INR 111 trillion over fiscal 2020 and 2025. NIP is expected to drive infrastructure investments, with projected nearly INR 75 trillion currently under construction. Engineering, procurement and construction (EPC) dominates the mode of project implementation, with ~72% share of the outlined spends. While capital spending of INR 111 trillion might not be completed by 2025, CRISIL MI&A still expects a notable 70-75% achievement, which is expected to provide a considerable boost to the country infrastructure.
National Monetisation Pipeline (NMP)	The NMP estimates an aggregate monetisation potential of INR 6 trillion through core assets of the central government over four years, i.e. from fiscal 2020 to 2025. Asset monetisation is aimed at tapping private sector investment for new infrastructure creation. This is expected to create employment opportunities, thereby enabling high economic growth and seamlessly integrating rural and semi-urban areas for overall public welfare.
PM Gati Shakti	PM Gati Shakti is essentially a digital platform that has brought together 16 ministries, including railways and roadways, for integrated planning and coordinated implementation of infrastructure

Growth driver	Description
	connectivity projects. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate last mile connectivity of infrastructure as well as reduce travel time. PM Gati Shakti incorporates the infrastructure schemes of various ministries and state governments, such as Bharatmala, Sagarmala, inland waterways, dry/land ports, UDAN, etc. Economic zones such as textile clusters, pharmaceutical clusters, defence corridors, electronic parks, industrial corridors, fishing clusters and agri zones are covered as well to make Indian businesses more competitive.
PLI scheme	The PLI scheme is expected to provide the necessary boost to the industrial sector. The scheme is a timebound incentive scheme by the government that rewards companies in the range on 5-15% of their annual revenue, based on the companies meeting pre-decided targets for incremental production and/or exports and capex over a base year. Industrial investments are expected to increase by 25-27% during fiscal 2024 to 2028 vs. fiscal 2019 to 2023.
Bharatmala Pariyojana	Bharatmala Pariyojana is an umbrella project of the central government since 2015 that aims to improve efficiency in the roads sector. It is expected to supersede the National Highways Development Project (NHDP) and envisages the construction of 65,000 km of highways under the following categories: national corridor (north-south, east-west, and Golden Quadrilateral), economic corridor, inter-corridor roads, and feeder roads. Further, to reduce congestion on the proposed corridors, enhance logistic efficiency and reduce logistics costs of freight movements, 35 locations have been identified for development of multimodal logistics parks. As per the ministry, Bharatmala, along with schemes currently undertaken, could require a total outlay of INR 6.9 trillion. Phase-I of the scheme envisages development of ~24,800 km of national highways/roads plus residual 10,000 km of NHDP between fiscal 2018 to 2022. Awarding under Bharatmala began in fiscal 2018 and is likely to stretch till fiscal 2025 for Phase 1.

Source: Budget documents, CRISIL MI&A

Government's infra push to boost manufacturing sector

The trade war between the US and China since 2018 and the disruption in global supply chains during the pandemic, due to supply concentration in few countries such as China, forced the West to look for other manufacturing destinations such as India, Vietnam, Malaysia and Mexico. Vietnam, Taiwan and Malaysia have benefitted by this more than India due to their integration with global supply chains.

Nonetheless, India is also a suitable option for manufacturing as it offers several advantages such as a large local market, young working population group, expanding middle class and cheaper labour.

Investment facilitation includes measures to increase and stabilise foreign investments in the country. In this context, schemes such as the PLI, increase in FDI limit under Atmanirbhar Bharat Abhiyan, etc facilitate high quality foreign investments by creating a market-linked incentive structure for firms.

India's Ease of Doing Business ranking improves

Systematic and targeted efforts to reduce the number of processes and rationalise costs have improved India's rank to 63 in Doing Business Report 2020 (published in October 2019) from 142 in Doing Business Report 2015 (published in October 2014). The key facilitators were decrease in the number of procedures and time taken for obtaining construction permits in India (184 in 2014 to 27 in 2019) and shorter duration to get electricity connection (137 in 2014 to 22 in 2019).

Consequently, India improved its rank by 79 positions over 2014-2019, and it continues to be first among South Asian countries compared with 6th position in 2014.

2.5 Construction sector

Construction among top 10 sectors to attract Foreign Direct Investment

Foreign Direct Investment "FDI" plays an important role in propelling India's economic growth and development, particularly in the construction sector. Currently, key construction (development) projects, including townships, residential and commercial premises, roads, bridges, hotels, hospitals, educational institutions, recreational facilities, and city and regional-level infrastructure are open to 100% FDI through the automatic route. Moreover, FDI limits for real estate projects within Special Economic Zones (SEZ) and industrial parks have been raised to 100% in the construction sector through the automatic route.

In the construction (infrastructure) sector, FDI stood at INR 351 billion in fiscal 2024, compared to INR 176 billion in fiscal 2018. FDI investments in construction (infrastructure) sector saw a spike in FY21 to INR 582 billion due to increase in the investments in warehousing segment.

Capital investment outlay

The aggregate budgetary support for capital expenditures (including capital outlay, grants for capital creation, and internal and external budgetary resources) has received a significant boost in Financial Year 2024, reaching INR 18.6 trillion. This marks a substantial 28% increase compared with the estimates of the Financial Year 2023E.

The share of 11 core infrastructure ministries (road transport and highways, housing and urban affairs, civil aviation, power, railways, shipping, rural development, water resources, new and renewable energy, defence and petroleum and natural gas) accounts for nearly ~60% of the overall capex. The aggregate budgetary support for capex for these ministries is up 19% at INR 10.9 trillion in the Financial Year 2024 budget.

Further, the central government plans to provide a noteworthy boost to the infrastructure development of states by:

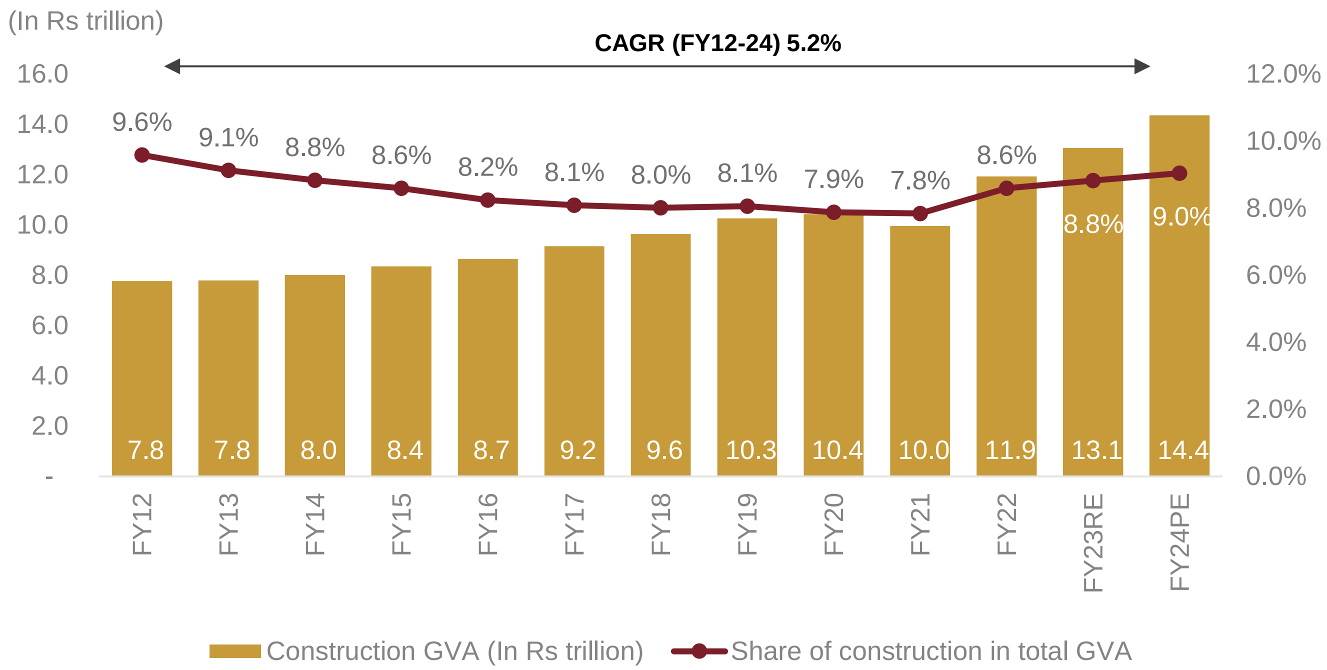
- offering a 50-year interest-free loan totalling INR 1.3 trillion; and
- focusing on urban infrastructure through formation of the Urban Infrastructure Development Fund (UIDF), which will aid urban infrastructure in Tier 2 and 3 cities

Construction sector share in overall GVA estimated to have risen further in fiscal 2024

Construction GVA is a critical indicator of economic activity as it represents the value generated by the construction sector, which includes activities related to building infrastructure, real estate and other construction projects.

In India, the construction GVA increased to INR 13.1 trillion in fiscal 2023 from INR 7.8 trillion in fiscal 2012, which was a CAGR of 4.8%. Several factors contributed to the growth were economic expansion, the government's commitment to infrastructure development, particularly roads, railways and energy projects, and increase in FDI, which boosted private sector investments. Furthermore, increasing demand for affordable housing, driven by rising urbanisation and an expanding middle-class population, has also played a significant role in elevating construction GVA.

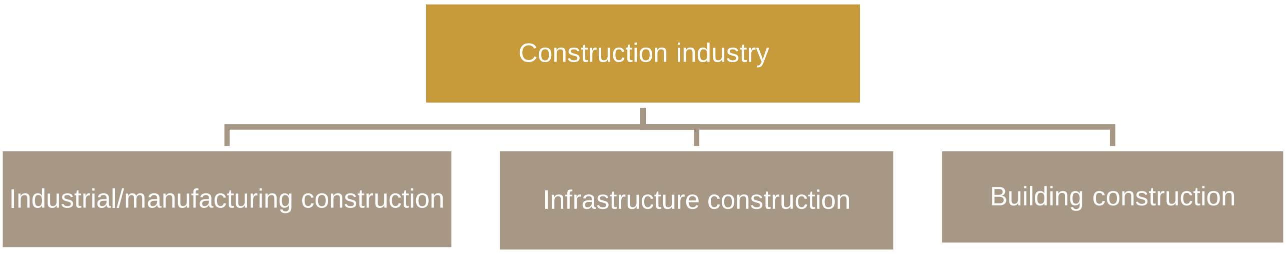
Construction GVA



RE – revised estimate, PE – provisional estimates
Source: MoSPI, CRISIL MI&A

The construction sector can be broadly classified into building, industrial/manufacturing and infrastructure construction.

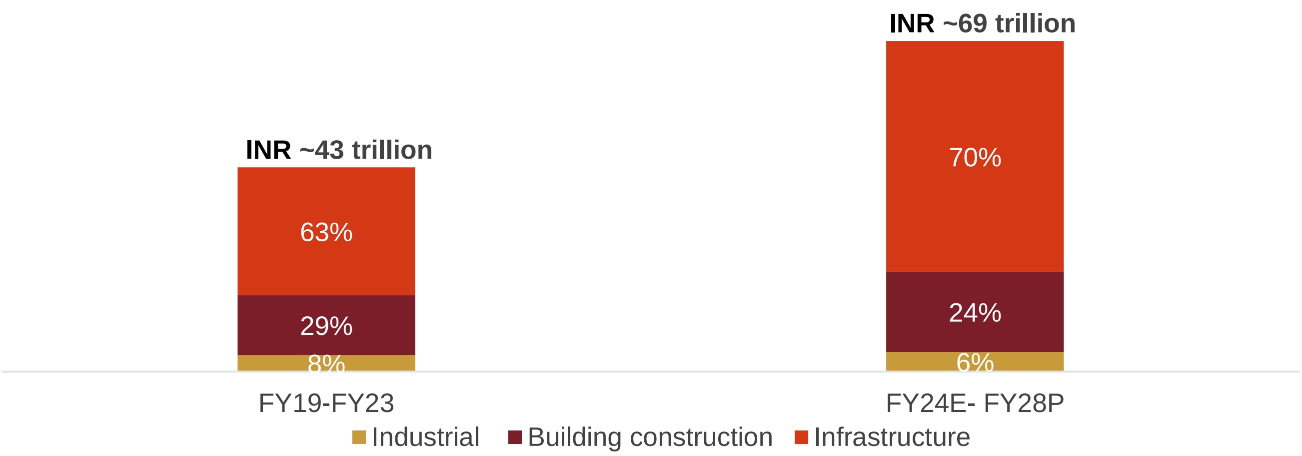
Overview of construction sector



Source: CRISIL MI&A

Investments in construction sector

Break-up of the domestic construction sector

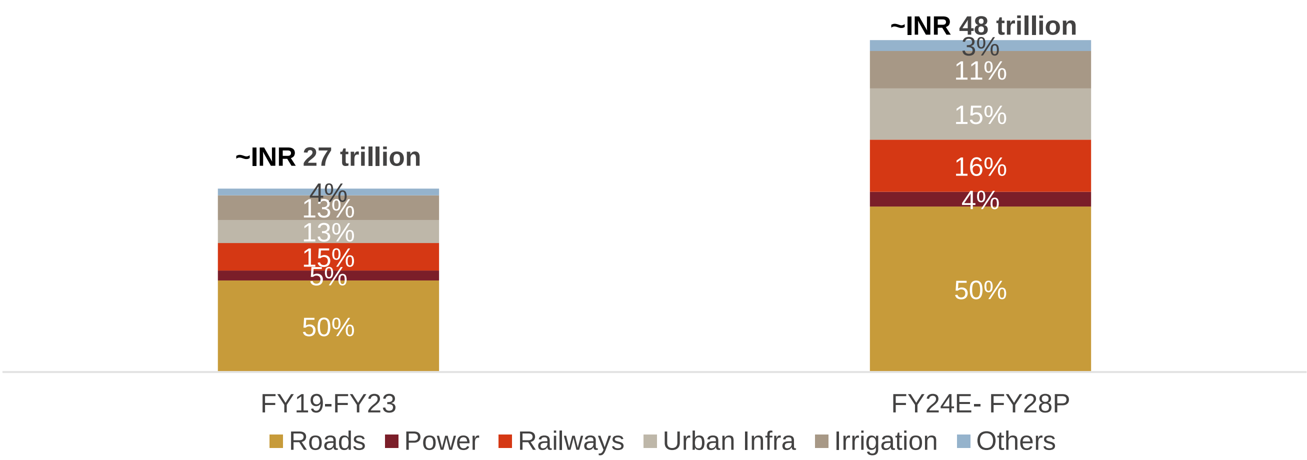


Note: E - Estimated, P – Projected
Infrastructure vertical includes warehouse
Building construction includes residential, commercial and non-commercial verticals
Source: CRISIL MI&A

CRISIL MI&A projects total construction investments to increase from INR 43 trillion between fiscals 2019 and 2023 to INR ~69 trillion between fiscals 2024 and 2028. The construction sector is estimated to have grown at 10-13% in fiscal 2024, driven by growth in the infrastructure segment, which is attributed to the development of roads, railways and urban infra, and the boost provided by central and state capex.

Infrastructure sector

Segment-wise share of investments



Note: E - Estimated, P - Projected

Source: CRISIL MI&A

Infrastructure investments are seen growing faster than the other two sectors due to the government's focus under the National Infrastructure Pipeline (NIP), National Monetisation Pipeline (NMP) and the Gati Shakti initiatives. The sector is projected to attract construction investments of ~INR 48 trillion between fiscals 2024 and 2028, up from INR 27 trillion between fiscals 2019 and 2023. This upsurge aligns with the focus on infrastructure, evident in the increased capex allocations in the central and state budgets. In the infrastructure space, road projects will be a critical investment driver over fiscals 2024-2028. CRISIL MI&A estimates investment in roads to have risen 10-13% on-year in fiscals 2024, led by a strong pipeline of awarded and under-execution national highway projects, execution of higher value expressways and recovery in state road investments.

Warehouses

Pursuant to the change of the indirect tax regime, there is a huge demand for warehouses. Additionally, the entry of several retail giants in India and increased penetration of e-commerce players is expected to lead the demand for Grade A warehousing infrastructure and upgradation of old-style warehousing into Grade A modern warehousing in India, which would contribute to the demand of pre-engineered steel structures.

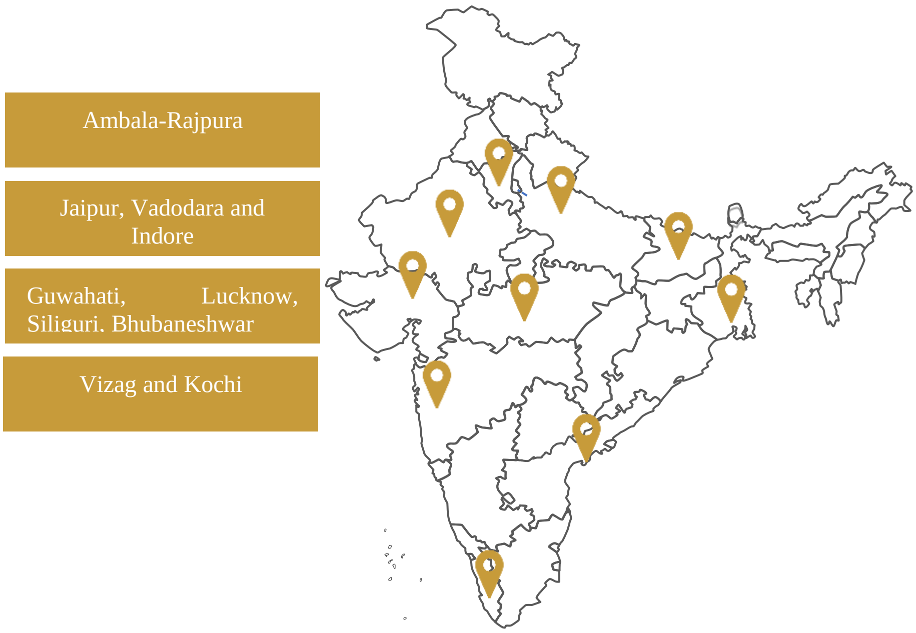
Construction investments warehousing and cold storage

Source: Union Budget documents, CRISIL MI&A

CRISIL projects construction investments in the warehousing (agricultural and industrial) and cold-storage (single- and multi-commodity) sectors to rise to INR 400-420 billion over the Financial Years 2024-2028 on expectations of increased demand. Industrial warehousing is likely to account for 85-90% of total investments. Investments in the sector of multipurpose cold storages are expected to rise due to their faster return on investment compared to single-commodity storages. The multipurpose facilities offer the advantage of accommodating various types of perishable goods simultaneously, ensuring a better capacity utilization, thereby making it a more economically viable option.

Over the long term, the annual demand for Grade A and B warehouses in top eight Indian cities is expected to log 10-15% CAGR between Financial Years 2024-2028. The annual supply is also expected to rise at the same rate.

Smaller hubs are also emerging due to rising e-commerce demand



Source: CRISIL MI&A

Furthermore, CRISIL MI&A also expects the warehousing industry to evolve structurally over the long term – led by automation and investment in technology and reduced dependence on labour. Most end-user industries are also expected to automate their supply chains and warehouse management services.

PEB warehouses gained prominence post GST implementation

The warehousing industry in India is fragmented with unorganised players occupying a majority share in volume terms. They have smaller reinforced cement concrete (RCC) warehouses with small shelves, build small warehouses and have an asset heavy strategy. Typically, they do not provide value-added services such as packaging, labelling, inventory management, etc.

In the pre-GST scenario, players used to prefer setting up warehouses in every state to save on inter-state taxes.

But in the past 4-5 years, the industry has started gaining traction due to implementation of GST; many large players have started investing in huge, modernised warehouses which are PEB structures. This was on account of end-user industries moving towards a hub-and-spoke model as the need to establish warehouses in each states diminishes. Larger PEB warehouses of 1,00,000-2,00,000 sq ft are being set up as hub warehouses and smaller warehouses of 20,000-30,000 sq. ft. which would serve as the key 'spoke' warehouses. The PEB warehouses generally have a height of 22-24 feet (typically higher than RCC).

Realignment towards the hub-and-spoke model is expected to result in major business opportunities for organised 3PL players operating large-sized warehouses in key geographies. They not only provide huge modernised PEB storage but also warehouses equipped with racking and storage solutions, forklifts and reach trucks, and value-added services. The 3PL players also have an asset light model. They take warehouses on lease from warehousing developers which, in turn, acquire the land and construct.

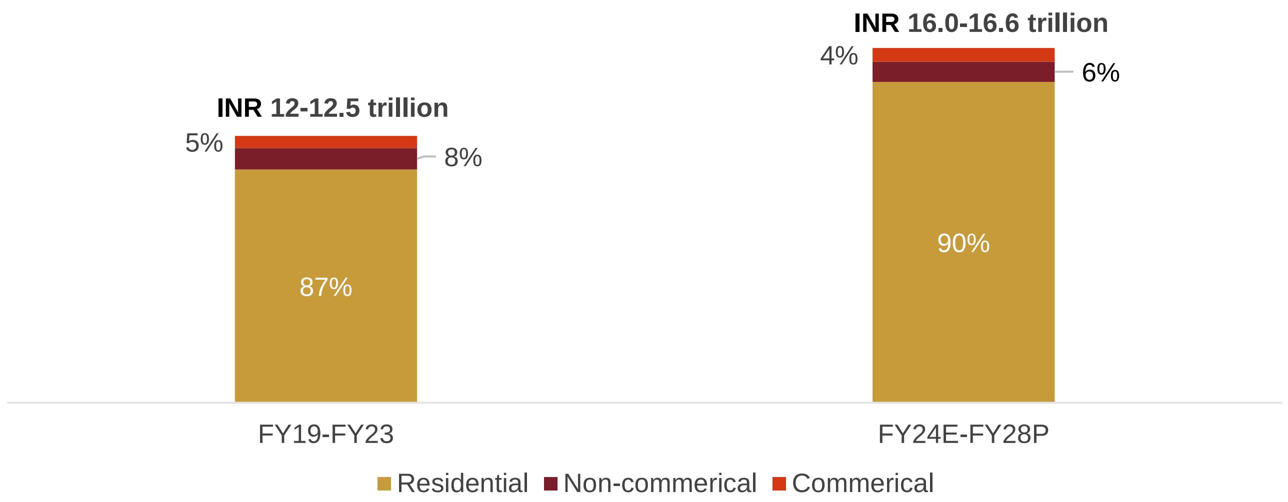
Building sector

CRISIL MI&A estimates the building segment to have grown 4-6% y-o-y in fiscal 2024, with the real estate segment showing a slowdown in demand along with rising inventory levels in key cities. However, the increase in execution of deferred projects and government schemes such as PMAY provided the required boost to the sector.

Residential is the largest vertical in building construction, with 87% share over fiscals 2019-2023. The non-commercial vertical, which includes educational institutions and healthcare facilities, had ~8% share during the same period.

Overall, investments in the sector are projected to rise to INR 16-16.6 trillion between fiscals 2024 and 2028 from INR12-12.5 trillion between fiscals 2019 and 2023. The share of residential is expected to increase to 90%, and non-commercial and commercial to 6% and 4%, respectively.

Share of commercial and residential buildings



Note: E - Estimated, P - Projected
Source: CRISIL MI&A

Residential

Residential forms the largest vertical within building construction, occupying 87% as of Financial Year 2019-Financial Year 2023.

Non-commercial

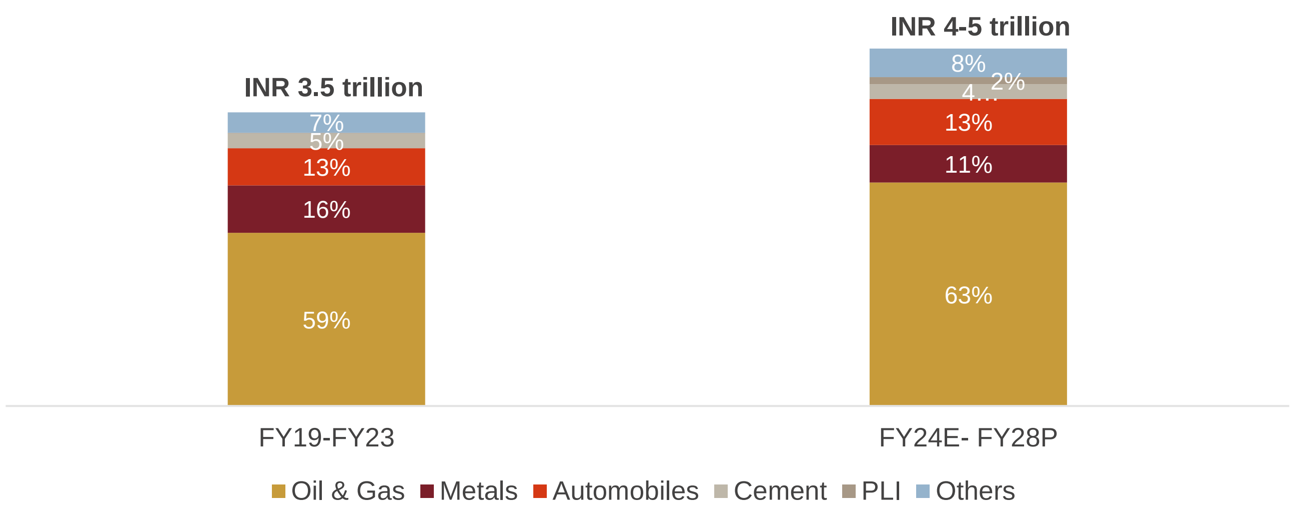
CRISIL MI&A expects the healthcare services sector grow at 8-10% over Financial Years 2023-2028, recording a construction spend of ₹ 340-360 billion compared with ₹ 277 billion over Financial Years 2019-2023, on the back of increased allocation by state governments as well as private entities.

Commercial

Demand for commercial real estate is expected to grow at 2.5-3% between Financial Years 2024-2028 compared with 3.5-4% between Financial Years 2018-2022 (despite a sharp decline in calendar year 2021 owing to the pandemic).

Industrial/manufacturing sector

Segment-wise share of investments



Note: PLI investments across speciality steel, auto and auto comps and textiles considered
E - Estimated, P - Projected
Source: CRISIL MI&A

Construction spends in the industrial/manufacturing sector are estimated to have risen 6-8% in fiscal 2024, driven by expansion in the oil and gas and metals verticals. The growth is on a high base of fiscal 2023, when the sector grew due to deferred investments from fiscals 2021-2022 and capex investments from the PLI scheme picked up.

Based on an analysis of eight key sectors, CRISIL MI&A projects construction investment in the industrial sector at INR4-5 trillion between fiscals 2024 and 2028, up 1.2 times over the spending in fiscals 2019-2023. The rise in investments is projected due to inclusion of the PLI scheme in the capex investments of the industrial sector.

Within the industrial sector, the oil and gas sector is estimated to provide INR 2.5-2.6 trillion in construction opportunities (upstream and downstream) over the five-year period, thereby comprising 55-60% of total industrial construction expenditure. Investments in the sector will be driven by refinery expansions at HPCL's Barmer, Vizag, IOCL Barauni, Numaligarh, capacity expansion plans announced by RIL and increasing investments towards retail outlets.

Other sectors that will contribute to the increased demand includes automobiles, where investment is expected to rise to INR 520-560 billion over fiscals 2024-2028, from fiscals 2019-2023 level of INR 400-450 billion. Investments are expected to rise to INR 120-150 billion in Financial Years 2024-2028 in petrochemicals, against ~INR 85 billion in fiscals 2019-2023. Investments in PLI and cement are expected to increase to ~INR 200 billion and INR ~172 billion, respectively.

Overall, industrial investments between fiscals 2024 and 2028 are expected to rise 20-25% over fiscals 2019 and 2023, thanks to the PLI scheme.

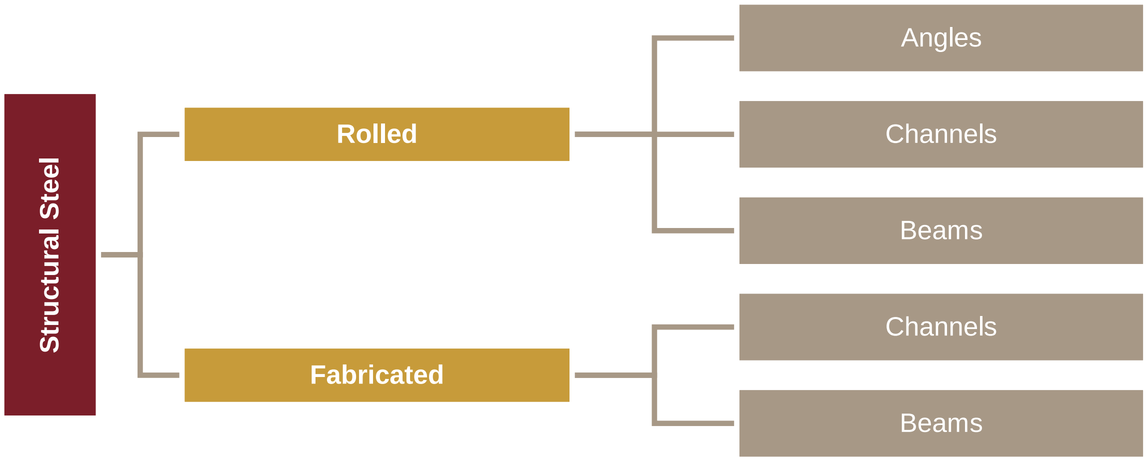
3. ASSESSMENT OF STRUCTURAL STEEL INDUSTRY

3.1 Overview of structural steel industry

Structural steel is a high-grade variety of the metal with applications in various end-use industries, including power and construction. In construction, use of structural steel not only helps in speeding up the construction, but it also helps in increasing the durability and structural stability of the building. Steel's high strength to weight ratio allows for lighter, more efficient structures, thereby increasing the load bearing capacity of buildings in cost efficient manner due to reduced material costs. Additionally, structural steel can also be fabricated into various forms and shapes which offers flexibility in construction.

Structural steel can be broadly classified into rolled and fabricated. Rolled steel, which dominates the structural steel space, is cast in continuous moulds without any joints/ breakages. It can be further classified into channels, beams and angels depending on the mould and end usage. Fabricated steel includes components that are created through cutting or bending of continuous steel to achieve tailored shapes and sizes; it can be bifurcated into channels and beams. Compared with rolled steel, the fabricated variety offers more flexibility in shapes and sizes. However, it is to be noted that the fabricated process is more time consuming and expensive than rolled due to additional labour involved for customisation.

Breakdown of structural steel



Source: CRISIL MI&A

Additionally, based on project requirement, channels and beams can be segregated based on their shapes, like I-beams, C-beams, etc. Depending on the requirements of the project, structural steel can either form the main component of the building or can be used only as a reinforcement agent in the form of beans, frames, bars, etc.

The use of structural steel in the construction industry is popular due to the inherent benefits such as strength, good ductility, sustainability, etc. Using structural steel in conjunction with reinforced concrete (RCC) or on a standalone basis strengthens the building without increasing the cost much. Furthermore, use of steel in construction is more environmentally friendly than RCC because of recyclability. However, steel can also make the structure susceptible to corrosion/rust. Hence, structural steel is usually coated/treated with certain chemicals through processes such as galvanisation to make it corrosion resistant.

Increased government investments in infrastructure segments (roads, railways, etc) also positively contributed to the demand for structural steel.

3.2 Market size of structural steel industry

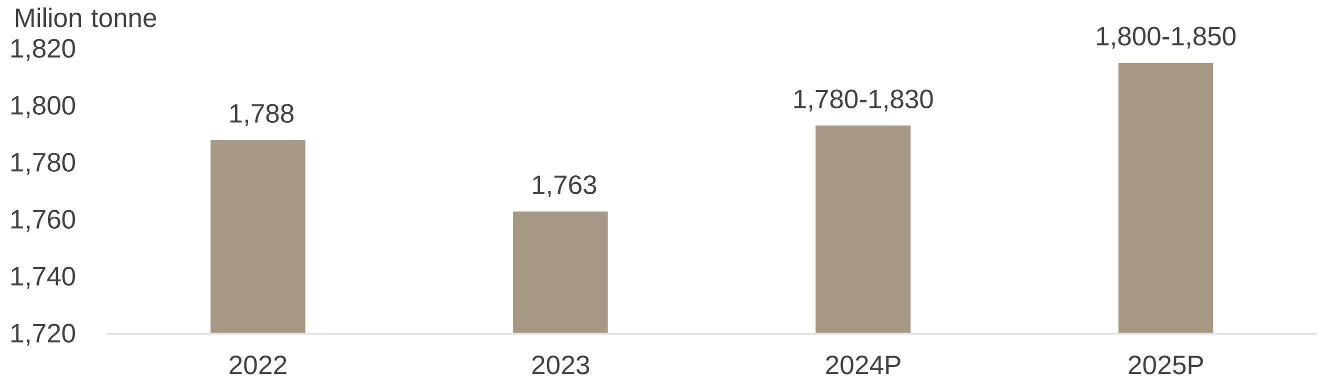
Global demand for finished steel products expected to recover in 2024-2025

Demand for finished steel products was 1,763 million tonne in 2023 compared with 1,768 million tonne in 2022. Demand consistently increased over 2018-2021 to reach a high of 1,842 million tonne in 2021.

Moving forward, demand for finished steel products is expected to recover in 2024 and 2025 owing to stabilising macro conditions. Steel demand from China will be driven by infrastructure and manufacturing sectors, whereas demand from the real estate segment is expected to remain at 2023 levels. Majority of growth will be driven by India, MENA (Middle East and North Africa), ASEAN (Association of Southeast Asian Nations) this year and the next. Notably, India leads in steel demand since 2021, driven by continued growth in all steel using sectors and surge in infrastructure investments.

MENA and ASEAN are also expected to show accelerating growth in steel demand over 2024-2025 after a significant slowdown over 2022-2023. However, mounting difficulties in the ASEAN region, such as political instability and erosion of competitiveness, might lead to lower demand growth going forward.

Global demand for finished steel products



Source: World Steel Association, CRISIL MI&A

Apparent steel use per capita (kg/ capita)

Country/ Region	2019	2020	2021	2022	2023	CAGR (2019-23)
Africa	31	27	28	25	24	-6.2%
Argentina	88	80	111	112	109	5.6%
Asia	300	311	305	297	292	-0.7%
Brazil	99	101	123	109	110	2.7%
Canada	346	361	379	352	328	-1.3%
China	641	708	669	650	628	-0.5%
France	226	189	214	183	154	-9.2%
Germany	423	376	426	390	337	-5.5%
India	**74**	**64**	**76**	**82**	**93**	**5.9%**
Italy	420	343	447	426	400	-1.2%
Japan	503	420	461	444	433	-3.7%
Middle East	190	177	188	198	194	0.5%
Netherlands	266	238	270	275	261	-0.5%
North America	236	201	237	228	226	-1.1%
South America	88	82	106	94	94	1.6%
South Korea	1028	949	1081	990	1057	0.7%
Spain	281	247	274	263	266	-1.3%
Taiwan, China	741	789	886	741	726	-0.5%
Türkiye	312	350	394	381	444	9.2%
United Kingdom	152	125	164	139	135	-2.9%

Country/ Region	2019	2020	2021	2022	2023	CAGR (2019-23)
United States	292	238	288	279	266	-2.3%
World	229	228	233	224	219	-1.1%

Source: World Steel Association, CRISIL MI&A

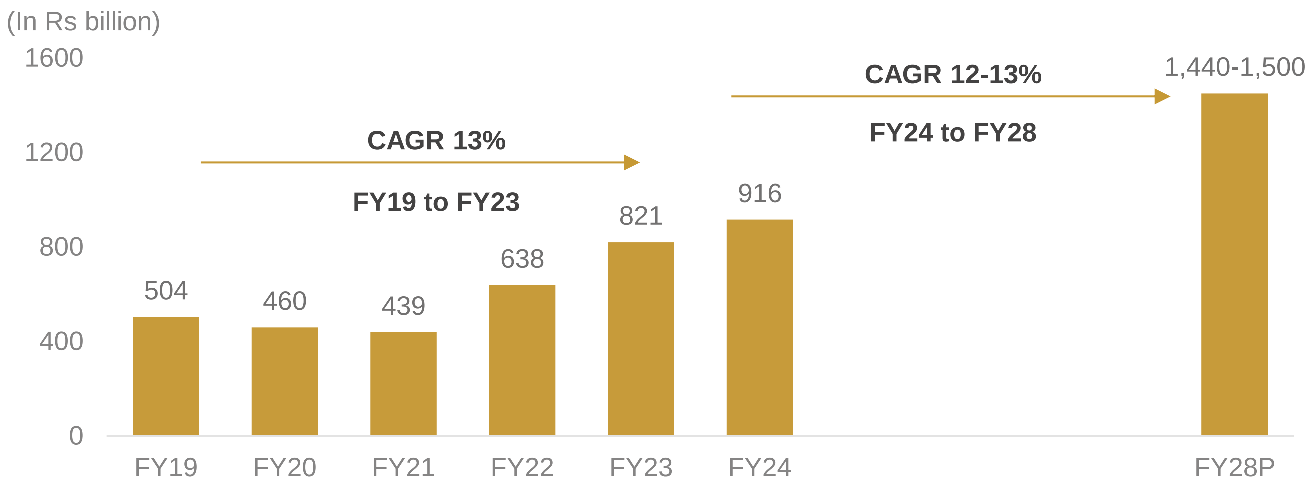
Domestic structural steel market clocked a CAGR of 4% between fiscals 2019-2023

Domestic structural steel market was valued at INR 821 billion in fiscal 2023, up from INR 504 billion in fiscal 2019, thereby registering a notable CAGR of 13%. In fiscal 2024, the market continued to sustain its high growth rate by registering a y-o-y growth of ~12% and is estimated to be valued at INR 916 billion.

This high growth rate can be attributed to multiple factors including robust infrastructure projects by the government, increasing manufacturing/ industrializing construction capex and growing construction sector.

Moving forward, the market is poised to sustain its growth rate, with an estimated CAGR of 12-13% between fiscal 2024 to 2028. Demand for structural steel will be driven by sustained construction activities (residential, commercial and industrial) along with healthy demand from automotive and power segments. In the residential building segment, construction investments will be driven mainly by affordable housing, PMAY, Smart Cities, rising disposable incomes, nuclearisation of families and urbanisation. Additionally, pent-up demand from the automotive industry, which prefers fabricated structural steel due to its customisable nature, is also expected to contribute to the overall demand of structural steel in India. Furthermore, structural steel has multiple applications in the power segment in transmission towers, substations, etc because of durability and low thermal conductivity. It is also finding applications in the renewable sector (equipment manufacturing). Hence, increasing capacity additions in the power segment will also augment overall industry growth.

Estimated market size of domestic structural steel market



Source: CRISIL MI&A

India's share in global finished steel products consumption increased between 2013-23

India's consumption of finished steel products accounted for 7.6% of global consumption in 2023, up from 4.8% in 2013. On the other hand, the share of the European Union, Japan and North America in global finished steel product consumption decreased in 2023 over 2012. However, India still trails China, which accounted for 50.8% of finished steel product consumption in 2023 vs 48% in 2013, suggesting scope for improvement.

3.3 Key growth drivers of structural steel

Key growth drivers	Description
Growing acceptance in construction	As mentioned above, due to its inherent benefits, structural steel is finding growing acceptance in construction. In 2023, building and infrastructure (including other infrastructure) accounted for 50-60% of the total steel consumption in the world. The demand of steel in construction is further fuelled by increasing urbanisation and a growing preference for eco-friendly options
Increasing penetration of PEB	PEBs are gaining more prominence in the construction industry due to benefits including reduced project timelines and limited potential revenue loss due to shortened project times. This trend will directly provide an impetus to the demand for structural steel, which is a major component of PEB
Faster construction timelines	Structural steel allows for faster construction timelines due to faster assembly and installation of steel components. Additionally, steel components are usually fabricated in factory under

Key growth drivers	Description
	controlled environment, which also allows for simultaneous work at construction site. This in turn allows for optimized construction schedules
Growing infrastructure investments	Structural steel demand is driven primarily by infrastructure and industrial segments, which are major end use sectors of structural steel. Within infrastructure, roads, bridges, power, etc are witnessing increasing investments from both public and private sources. Hence, increased investments are expected to boost the overall demand of structural steel
Increasing use in industrial segments	Industrial segment is one of the primary end use segments of structural steel, which wide range of applications including towers, industrial rooftops, and within oil and gas sector. Based on an analysis of eight key sectors, CRISIL estimates construction investment in the industrial segment at INR -4.0-4.5 trillion between fiscals 2024 and 2028, rising 1.3 times over spends seen in fiscals 2019 to 2023. This rise in industrial construction investments is estimated to provide boost to structural steel segment as well.
Availability of advanced technological tools	The advancement of technological tools is also catalysing adoption of structural steel in construction through precise modelling and visualisation. Use of technologies such as augmented reality (AR)/virtual reality (VR) has also streamlined design, coordination, and optimisation processes, ensuring precise and efficient steel structures. Furthermore, automation in fabrication, including computer numerical control (CNC) machinery also enhances production speed, quality, and cost-effectiveness
Increasing demand from the power segment	Structural steel plays an important role in the renewable energy space and is used in equipment like solar panels, wind turbines, geothermal pipes etc. Hence, ongoing shift to more sustainable sources of energy due to increasing awareness of adverse environmental effects of energy generation through fossil fuels will also contribute to higher demand for structural steel, which is a convenient option for equipment manufacturing. In the renewable energy space, CRISIL expects strong capacity additions of 290-300 GW till fiscal 2030. Within the total capacity additions, solar and wind will see the highest capacity additions of 180-190 GW and 55-60 GW, respectively. Additionally, CRISIL expects the share of non-fossil fuels in the generational mix to increase to 45% by fiscal 2030, with solar accounting for 50% of incremental non-fossil generation. These capacity additions will require substantial capex in development of needed infrastructure. CRISIL expects capex of ~INR 30.3 trillion in the renewable energy space between fiscals 2024 and 2030

Source: CRISIL MI&A

3.4 Key challenges in the structural steel market

Challenges	Description
Shortage of skilled labour supply	Structural steel fabrication industry highly depends on the skill sets of welders, fabricators and engineers and shortage of skilled labours possess significant challenges in the operations of steel fabrication.
Fluctuations in input prices	Raw material prices directly impact the profitability of structural steel suppliers. While price trends of coking coal and iron ore, two of the main raw materials for steel, have been diverging since July 2021 (balancing each other to an extent), they remain key risks for the industry

Source: CRISIL MI&A

4. ASSESSMENT OF THE PRE-ENGINEERED BUILDING INDUSTRY

As discussed, the construction sector can be classified into building construction, industrial/manufacturing, and infrastructure construction. Furthermore, the construction industry can be further categorised into conventional and non-conventional methods based on the type of construction method/structure. Non-conventional structure can be further divided into:

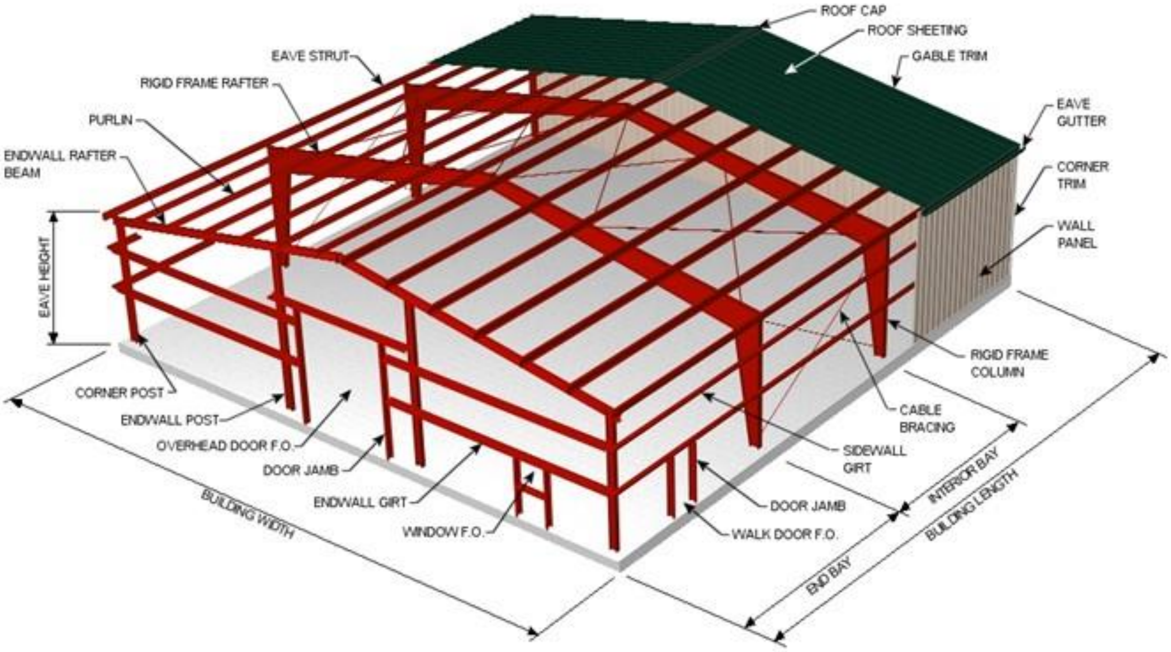
- **Pre-cast**: These structures are manufactured/produced in factories out of concrete components. Once cast, these components are transported to the construction site and assembled, creating the final building
- **Prefabricated**: In this case, entire structures or modules are manufactured in the factory, including all necessary components and finishes and then transported to the site as completely built units or in semi-knocked-down form, where it is directly installed without the need for further onsite assembly (e.g., guard rooms). It is important to note that prefabricated structures are generally not used in industrial settings
- **Pre-engineered buildings**: These steel structures are fabricated in the factories in a controlled environment and transported to the construction site where the final assembly takes place

4.1 Overview of pre-engineered products and their applications

Pre-engineered construction has emerged as an innovative building method due to rapid growth of automation in the construction industry. Furthermore, shortage of skilled labour, combined with the inherent advantages of these structures in terms of speed, cost-effectiveness, and environmental impact, is significantly propelling their popularity in the construction sector.

Pre-engineered structures/units are more eco-friendly than traditionally constructed ones and provide common benefits such as reduced material wastage, enhanced quality control, and improved onsite safety. The controlled manufacturing process minimises material wastage, promoting sustainable building practices, while rigorous quality control ensures consistent and durable structures.

Overview of Pre-engineered steel building



Source: CRISIL MI&A

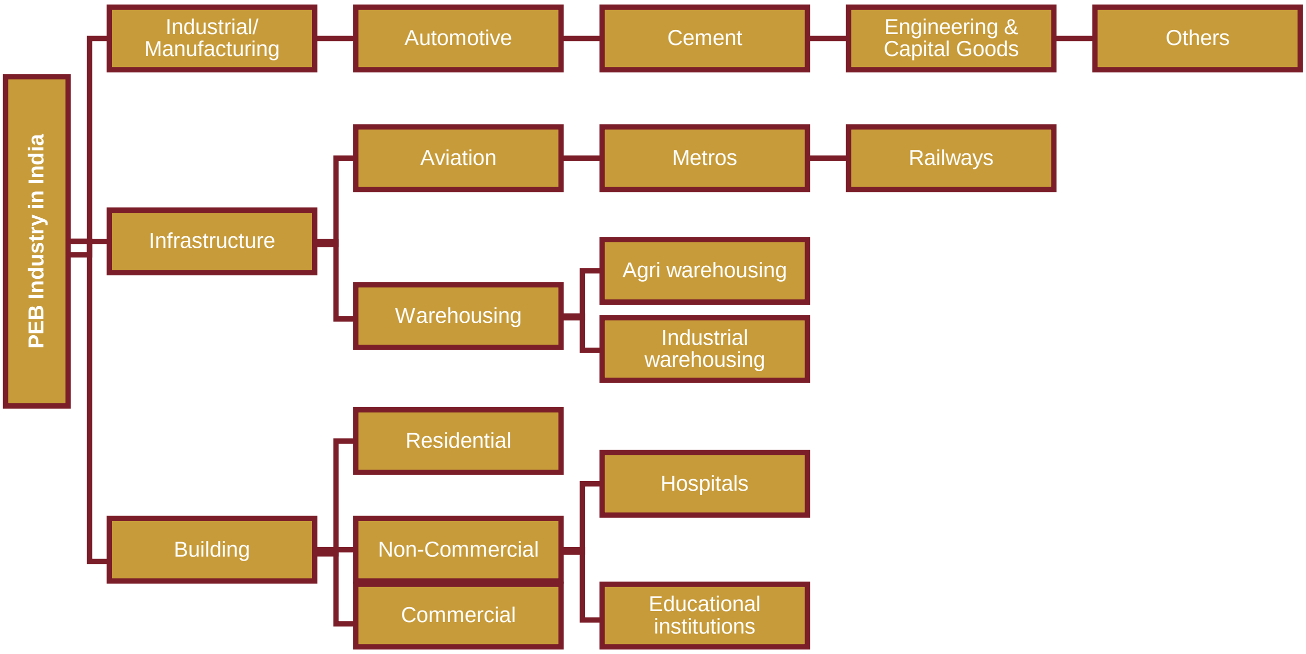
Key components/sub-structures of pre-engineered buildings:

1. **Main frame or primary structure**: This frame is the main load-carrying and support structure of a pre-engineered building made of rigid steel frames. The primary structure consists of columns, rafters, and other supporting structures. The shape and size of these structures differ based on their application and requirements. The frame is constructed by bolting the end plates of connecting sections together

2. **Secondary structure**: It consists of purlins, grits, and eave struts used to support the wall and roof panels. Purlins are employed on the roof, grits on walls, and eave struts at the intersection of the sidewall and roof

3. **Roof, wall panels, and insulation**: These components are used for sheeting and generally made of ribbed steel sheets. They are used as roof and wall sheeting, roof and wall liners, partition, and soft sheeting. Steel sheets are generally produced from steel coils

Pre-engineered buildings industry segmentation by end user



Source: CRISIL MI&A

Pre-engineered construction is gaining popularity in the commercial, infrastructure, and industrial landscape, such as in the automobile, cement, paper sectors, offices, aircraft hangers, warehouses and logistics, and data centres. Use of pre-engineered constructed units enables companies to accelerate the construction process in a cost-effective manner without compromising on quality. In fact, the absence of external uncontrollable factors such as adverse weather in pre-engineered construction ensures better quality control through standardised operations and streamlined processes.

Pre-engineering is reshaping the realm of building construction by decreasing the overall construction duration for commercial complexes, hospitals, office buildings, high-rise buildings, and so on, without compromising on construction quality. Pre-engineered structures are also used extensively in the institutional and recreational field to construct schools, exhibition halls, hospitals, theatres, auditoriums, gymnasiums, and indoor sports facilities.

Difference between RCC and pre-engineered construction

Parameter	Traditional RCC construction	Pre-engineered construction
Major component	Concrete and reinforced steel bars	Steel and metal accessories
Raw materials used	Cement, steel, sand, bricks, etc	Steel, anchors, channels, etc The primary structure of PEBs consists of columns, rafters, and other supporting structures, whereas the secondary structure consists of purlins, grits, eave struts, etc. Additionally, wall panels, roofs, etc are also used for sheeting and insulation purpose.
Construction location	Completely onsite	The entire structure is manufactured in controlled environments such as factories, only assembling of structures happens onsite. The foundation in pre-engineered buildings is similar to RCC construction but its requirements may vary depending on the weight of pre-engineered structures
Construction time	It depends largely on the type (industrial, residential, etc), height and area of construction. However, RCC construction usually takes a longer time than pre-engineered building construction	In pre-engineered building construction, a majority of components are manufactured in a controlled environment and only assembling of parts takes place onsite. According to industry sources, construction of pre-engineered buildings takes 40-50% less time than RCC construction
Manpower	Demands a substantial workforce since the entire construction process, including moulding and shaping concrete, occurs onsite	Requires less manpower as only assembling of the final structure happens onsite.

Parameter	Traditional RCC construction	Pre-engineered construction
		According to industry sources, manpower required for construction of pre-engineered buildings is approximately 25% lower than the conventional method
Applications	Residential as well as industrial; even infrastructural	Largely industrial and warehouse or shed requirements at infrastructure setup
Effect on environment	RCC construction has a more adverse environmental impact owing to the generation of significant waste and landfill mass during onsite construction activities	Owing to the streamlined nature of construction in a controlled environment, the environmental footprint is reduced by minimising wastage. Additionally, pre-engineered building components can be recycled, which optimises the use of raw materials and minimises construction waste
Modifications	Once concrete hardens, making alterations becomes complex and costly in RCC structures	Pre-engineered offers superior flexibility as modifications involve changing the assembly of prefabricated components, adjusting to make it more manageable and cost-effective
Cost efficiency	Construction of RCC structures is highly labour-intensive in an uncontrolled environment, making them more costly than pre-engineered building structures. But the cost depends on the size and type of the structure, the span, etc, and varies from project to project	Pre-engineered structures are lighter and require less material, a shorter construction time, and comparatively less labour onsite, leading to lower costs compared with RCC structures. But the cost depends on the size and type of the structure, the span, etc, and varies from project to project

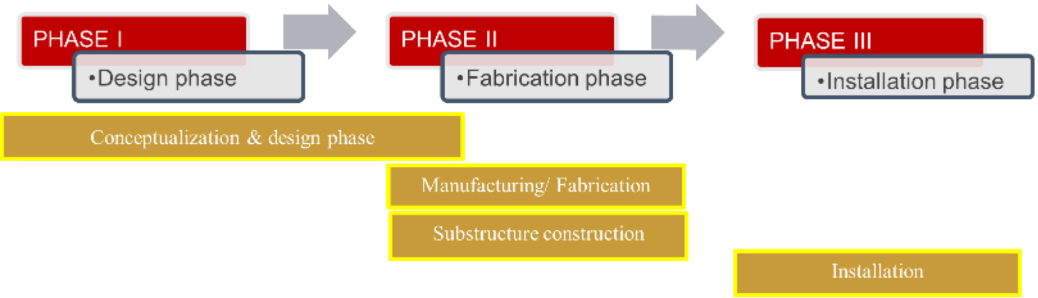
Source: CRISIL MI&A

Construction plan for pre-engineered buildings

Similar to the construction plan for RCC structures, the pre-engineered building construction plan is also structured into three primary phases, though the activities scheduled in each of the three phases—design, fabrication, and installation—differ. The initial design phase encompasses critical tasks such as site preparation, finalising the design specifications, and obtaining the requisite approvals.

The design phase is the first phase of overall PEB construction and is extremely critical to the overall outcome of the PEB building. It is followed by the fabrication phase, which focuses on manufacturing of pre-engineered structures as well as construction of substructures that not only enhance cost efficiency but also accelerate project timelines significantly. Hence, this simultaneous approach contributes to substantial savings in terms of both time and resources. Finally, the concluding phase of pre-engineered building construction involves the transport of individual building components to the designated construction site, where the final structure is installed with precision.

Design plan of pre-engineered construction



Source: CRISIL MI&A

4.2 Advantages of PEBs over traditional construction

1. Better quality control

Traditional construction methods rely heavily on skilled workers for onsite assembly and intricate tasks, the current shortage of such labour poses challenges to timely and efficient project completion.

Hence, pre-engineered construction offers a viable solution as a majority of the construction is done in controlled factory environments, reducing the need for onsite labour. Moreover, companies can achieve economies of scale through improved manufacturing processes, further boosting growth of the pre-engineered construction industry, enabling faster component production, and ensuring greater accuracy and consistency in final structures.

2. More sustainable

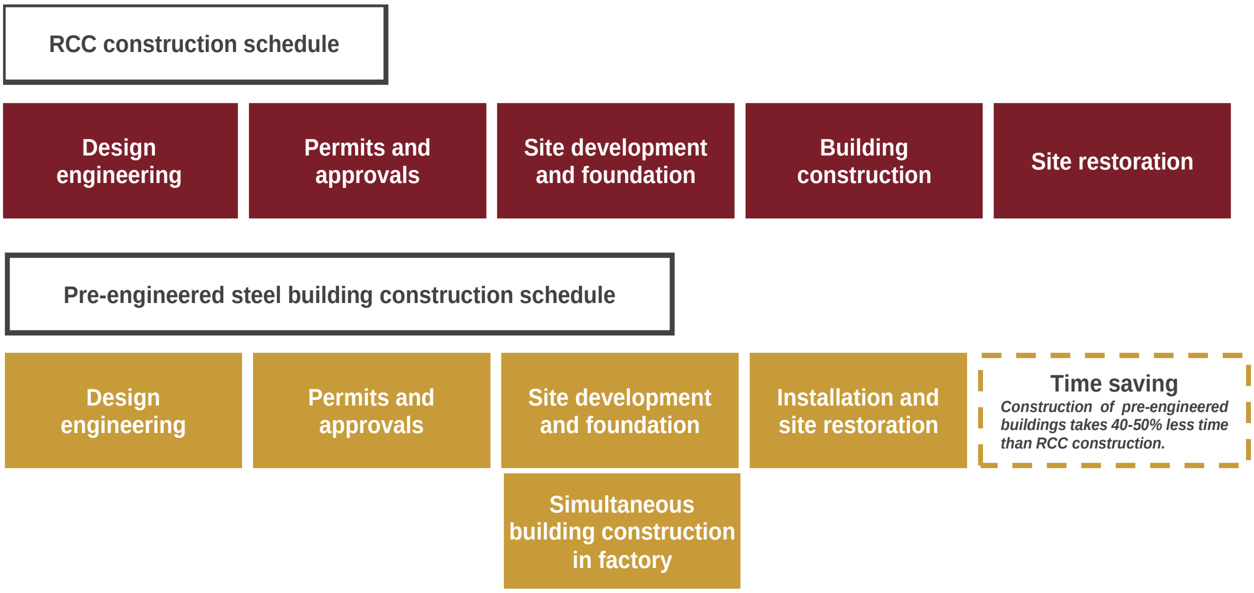
As considerable parts of the structures are built offsite in the case of pre-engineered construction, it causes less disturbance to the construction site's surroundings. Furthermore, factories and manufacturing plants enable standardisation of processes and streamlining of procedures, which help reduce wastage and the carbon footprint that directly impact the environment. Additionally, as discussed, pre-engineered building components can be recycled, as steel is the major raw material of PEB. This allows optimized use of raw materials and minimises construction waste.

This optimized use of raw materials helps in decreasing the overall carbon footprint of compared to traditional conventional construction methods. Additionally, energy optimizing solutions like HVAC (Heating, ventilation, and air conditioning), insultation, etc. which can further reduce the overall carbon footprint of the building.

3. Faster construction timelines

Pre-engineered construction accelerates project timelines without compromising on deliverable quality. As it involves components being first manufactured in factories/manufacturing plants, this method enables simultaneous preparation of the foundation at the construction site, which helps in accelerating project timelines. According to industry sources, construction of pre-engineered buildings takes 40-50% less time than RCC construction.

Construction schedule: RCC vs pre-engineered buildings



Source: CRISIL MI&A Research

4. Cost optimisation

Use of PEBs in construction enables cost optimisation by decreasing overhead site costs, including labour costs. Furthermore, as pre-engineered structures are manufactured within factories/manufacturing plants, they enable standardisation of processes, which ensures good quality of structures. Additionally, they also prevent project delays stemming from external factors such as adverse weather.

As per primary research, the cost of a pre-engineered steel building is estimated to be at times 15-35% lower than conventional structures for sheds, warehouses, and depots or at times 20-25% more expensive than a traditionally constructed building depending on the building's design and usage requirements.

4.3 Key selection criteria for pre-engineered building suppliers

Brand	Design capability	Prior experience	Pricing	Manufacturing capacity	Project management expertise	Pan India presence

Source: CRISIL MI&A

Brand

Having a reputed brand name is a key success factor for pre-engineered building suppliers as companies prefer brands for ensuring reliability and quality of raw materials. Furthermore, established brands are also known to adhere to industry standards and codes, ensuring that product quality remains consistent.

Additionally, choosing a reputed brand instils confidence in the project's key stakeholders and reduces the risks associated with dealing with lesser-known suppliers in the unorganised sector. Furthermore, established players invest in research and development and modern technology, resulting in better product quality due to more efficient processes. This, in turn, guarantees that clients receive a high level of quality in their pre-engineered projects. Therefore, opting for a well-known brand name is not just a preference but a practical necessity to ensure the success and quality of pre-engineered projects.

Design capability

Companies prefer pre-engineered building suppliers who have established design/architecture teams and design capabilities as these factors directly influence the functionality and the aesthetics of the building. Suppliers with expertise in architectural and structural design can optimise the building's layout, ensuring efficient space utilisation and seamless integration of various components.

Additionally, the importance of an experienced design team becomes more pronounced in pre-engineered building projects compared with traditional construction projects such as RCC as these projects demand greater coordination among various stakeholders and precise planning and execution from the start to ensure seamless integration of pre-engineered components. Hence, the emphasis on design capability remains a crucial factor in the decision-making process for companies engaged in pre-engineered projects.

Prior experience

Even though adoption of pre-engineered buildings is increasing due to inherent benefits such as cost savings and a lower environmental impact, the market is still in a nascent stage in India. Hence, companies prefer pre-engineered building suppliers with a proven track record to ensure their projects are completed on time. Furthermore, having prior experience also helps in gaining confidence of key project stakeholders as more experience translates into better knowledge of building codes, industry regulations and terrain requirements. Additionally, experienced suppliers often have well-established networks with other stakeholders such as erectors to ensure smooth coordination during the project lifecycle.

Pricing

The fragmented structure of the pre-engineered building industry grants customers significant bargaining power. Hence, competitive pricing is imperative for success. However, pre-engineered building suppliers must ensure a balance between affordability and quality, along with a transparent cost structure.

Manufacturing capacity

A robust manufacturing capability ensures timely production and delivery of building components, as the construction industry is frequently dogged by missed project deadlines and cost overruns.

Furthermore, it also enables pre-engineered building suppliers to streamline their processes, optimise their operations and handle multiple projects simultaneously. Additionally, the ability to handle larger volumes of pre-engineered buildings provides them more bargaining power with suppliers of raw materials, thereby optimising costs.

Project management expertise

It is a pivotal factor in the evaluation of pre-engineered building suppliers as the construction industry is usually riddled by long project timelines. Hence, project management expertise becomes extremely important to ensure timely completion and avoid costs overrun as it helps in the adherence to timelines, managing budget constraints, and maintaining high-quality standards.

For key players, the selection criteria for a PEB supplier is a stringent process, meticulously designed to ensure adherence to safety standards and ultimate quality of the structure and ensure project timelines. The stringent criteria for selecting a PEB supplier is further compounded by the significant switching costs and technical difficulties that prospective clients face, which makes it difficult for customers to contemplate transitioning to an alternative supplier.

Pan India presence

A pan India presence helps in enhancing credibility for PEB suppliers. PEB suppliers with pan India presence usually have extensive logistics network which contributes to efficiently reducing transport costs and time. Moreover, the presence of regional offices allows for prompt, on-site support, ensuring the swift resolution of any issues or bottlenecks. Thereby, facilitating successful completion of projects

4.4 Critical factors in the pre-engineered building industry

Success factor	Description
Quality material	• The use of quality raw materials ensures structural integrity, compliance with relevant codes and standards, proper safety of pre-engineered buildings and a higher life span of buildings • Furthermore, it positively influences reputation and helps gain the confidence of potential clients
Research and development	• Specialised design expertise plays a pivotal role in ensuring both functionality and aesthetics of pre-engineered buildings. • Investing in research and development enables pre-engineered building suppliers to provide better quality products to their clients and gain competitive advantage. Furthermore, suppliers could ensure pre-engineered structures are customised according to the terrain, enabling them to expand their product portfolio and gain potential clientele.
Standardisation	• Establishing standardised processes and specifications is a critical factor for the industry as they ensure consistency and quality across pre-engineered building structures. Having standardised products also decreases the chances of structural failures and collapse of these structures during erection • Overall, standardisation streamlines the manufacturing process, reduces the chances of mishaps during the erection process, thereby enabling suppliers to deliver reliable, cost-effective and high-quality solutions consistently
Technology	• Pre-engineered building suppliers can leverage technology through use of proper design software and new construction technologies such as 3D printing to optimise their design process as well as accelerate their manufacturing process. Utilising the latest technological innovations related to construction not only helps pre-engineered building players in saving costs and time, but also helps them gain competitive advantage • As technology continues to advance, access and knowledge of the latest technologies/software will emerge as a key differentiator in the PEB industry, companies equipped with cutting-edge technologies such as advanced robotics, artificial intelligence, and digital fabrication techniques will gain a competitive edge in terms of efficiency, quality, and time • For example, integration of technologies such as CNC machines, robotic welding, and 3D modelling software could increase the precision and pace of the fabrication process without compromising on quality. Consequently, investment in training and development to enhance technological capabilities will be crucial for firms seeking to maintain their market leadership and meet the growing demands for sophisticated PEB solutions
Location of Manufacturing plants	• As individual components of PEBs are manufactured in factories and then transported to the construction site, location of manufacturing plants plays an important role in ensuring optimised transportation costs. • Additionally, presence of manufacturing plants at diverse strategic locations also enables economic and efficient delivery of PEB components to the construction sites.
Experience of handling complex projects	• Prior experience of handing complex projects is paramount for success in the pre-engineered building industry as it provides invaluable insights on streamlining operations and optimising resource allocation, thereby facilitating smooth project execution. Additionally, having prior experience of handling complex projects for high ticket clients also provides credibility to pre-engineered building players

Success factor	Description
Project management and global safety practices	• Efficient project management, along with compliance to safety measures, is a prerequisite for success of the pre-engineered building industry. While effective project management ensures efficient planning, budget control, and quality assurance, adherence to safety measures includes strict compliance to codes, training programmes for workers, provision of safety equipment, regular audit of work practices at sites as well as promoting awareness on security norms among all key stakeholders • Hence, the synergy between efficient project management and stringent safety compliance is a critical factor for the pre-engineered building industry
Qualified sales and marketing team	• Qualified sales and marketing team is essential for success in the PEB industry due to the technical nature of the industry. Deep technical knowledge and industry experience of sales and marketing team ensures effective communication of PEB benefits and its alignment with the clients' overall construction requirement. • Additionally, effective marketing strategies and brand positioning also helps companies in educating potential clients and capturing market share.

Source: CRISIL MI&A Research

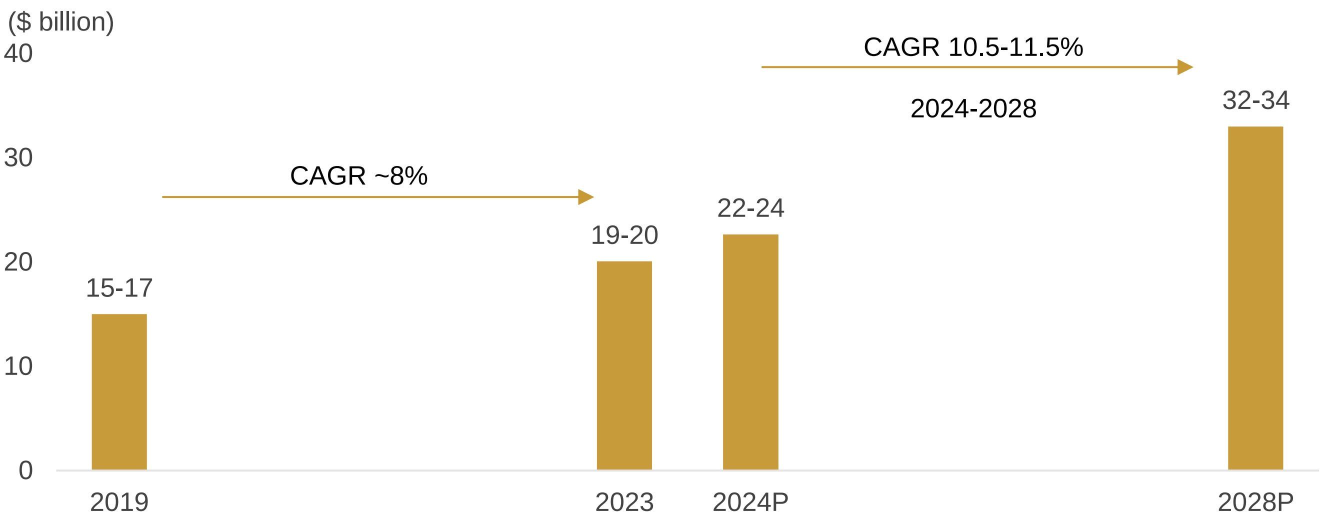
4.5 Overview of global pre-engineered buildings industry

Global PEB market to reach $32-34 billion by 2028

The global pre-engineered buildings market was valued at $19-20 billion in 2023, compared with $15-17 billion in 2019. The market witnessed moderate growth during 2019-2023 because of Covid-19 and its subsequent impact on the overall construction sector.

The market is expected to clock a CAGR of 10.5-11.5% over the medium term and is projected to be valued at $33.5-$35.5 billion by 2028. This high growth could be attributed to the increasing awareness about modern off-site construction techniques, as well as rising demand for green buildings globally, which has resulted in a shift in focus from traditional steel buildings to pre-engineered buildings.

Global pre-engineered buildings market



Source: Allied Market Research, CRISIL MI&A

Infrastructure segment to continue to hold prominent share

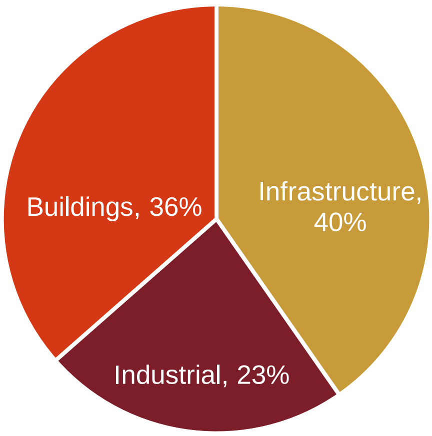
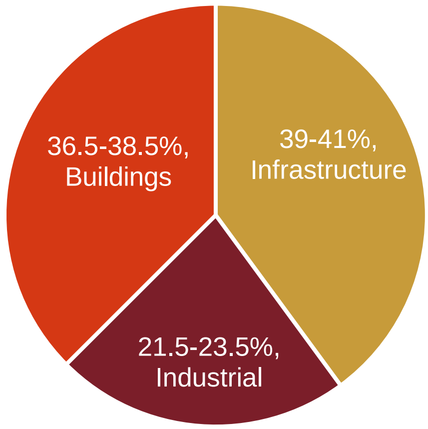
In 2023, the infrastructure segment accounted for the largest share of the global pre-engineered buildings market (40%), followed by buildings (36%) and industrial (23%). Increasing investments in public infrastructure, growing urbanisation and rising awareness of benefits of pre-engineered construction vis-à-vis the traditional onsite model have contributed to this high share of the infrastructure segment.

The infrastructure segment — mainstay of the global pre-engineered buildings market — is expected to drive demand for pre-engineered buildings. Within the segment, railways and warehouses form a major share, whereas in the industrial segment, manufacturing plants drive the majority of spend. The growing adoption of PEBs in these sectors is driven by their advantages, such as larger clean span spaces, the durable nature of PEBs, faster construction timelines and cost optimisation.

In the buildings segment, institutional buildings such as hospitals, schools and college campuses drive the major demand. PEB penetration in this sector is driven by faster construction timelines, the durable nature of PEBs and optimised cost savings.

Going forward, the infrastructure segment is expected to continue holding the major share of the overall PEB industry (39-41%), followed by buildings (36.5-38.5%) and industrial (21.5-23.5%) in 2028. Overall, increasing awareness of the benefits of PEB construction, combined with the growing emphasis on infrastructure development, is expected to drive demand for PEBs going forward.

PEB market by end-use industry

CY2023	CY2028P
	

Notes:
1) *Infrastructure segment includes warehouses, railways and other related infrastructure*
2) *Buildings segment includes institutional infrastructure, and residential and commercial buildings, including sports and recreation*
3) *Industrial segment includes manufacturing plants and other related structures*

Source: Allied Market Research, CRISIL MI&A

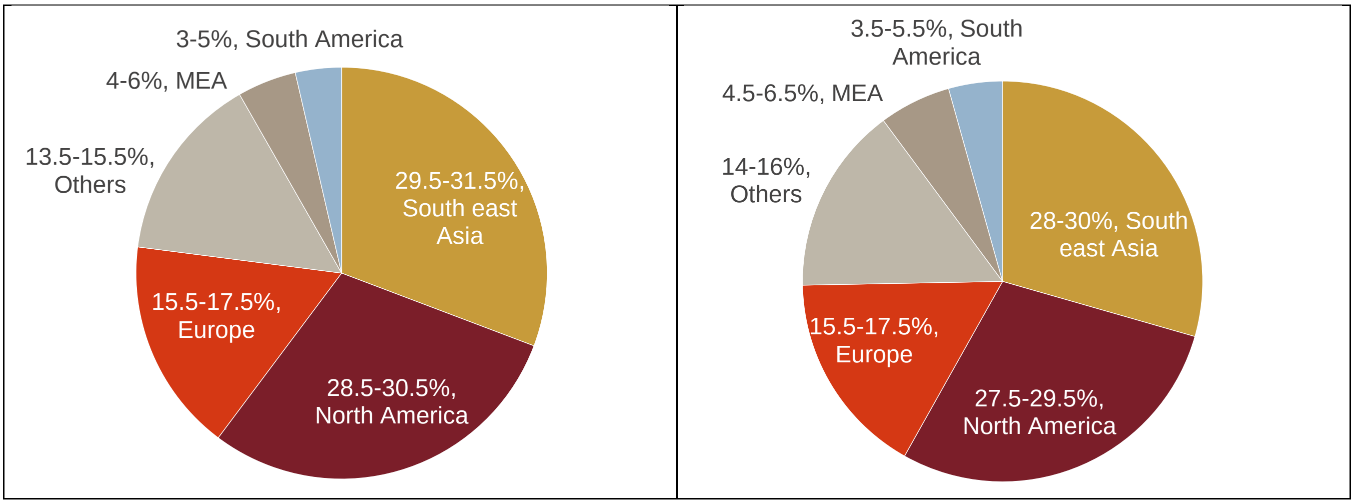
Southeast Asia held largest market share in 2023

In 2023, Southeast Asia accounted for the largest share of the pre-engineered buildings market (29.5-31.5%), closely followed by North America (28.5-30.5%) and Europe (15.5-17.5%). Key factors contributing to the growth of PEBs in Southeast Asia are rapid industrialisation and urbanisation and increasing adoption of advanced construction practices. Additionally, the tourism and e-commerce sectors are expected to boost demand for commercial and industrial structures such as warehouses, restaurants and hotels, which will facilitate the growth of pre-engineered buildings in the region. Major factors contributing to the growth of the pre-engineered buildings market in North America and Europe are the booming e-commerce and construction sectors and increasing awareness of non-conventional construction methods such as PEB.

Furthermore, growing demand from the infrastructure and industrial sectors, coupled with the rising adoption of construction technologies such as PEB, is expected to facilitate the growth of the pre-engineered buildings market in the Middle East and Africa (MEA) and South America. The share of MEA and South America in the overall PEB industry is estimated to increase to 4.5-6.5% and 3.5-5.5%, respectively, by 2028.

Share of key geographies in global PEB market

CY2023	CY2028P



Source: Allied Market Research, CRISIL MI&A

Overall, growing investments in infrastructure construction by governments, coupled with increasing awareness of PEB and its benefits in construction, are expected to positively impact the global PEB market.

For instance, the Indian government has launched initiatives such as Smart Cities and PM Gati Shakti to develop urban infrastructure. Similarly, the Vietnamese government has launched policies aimed at enhancing infrastructure development to improve overall logistics. These government initiatives are expected to boost demand for PEB structures, facilitating further market growth.

PEB market in USA

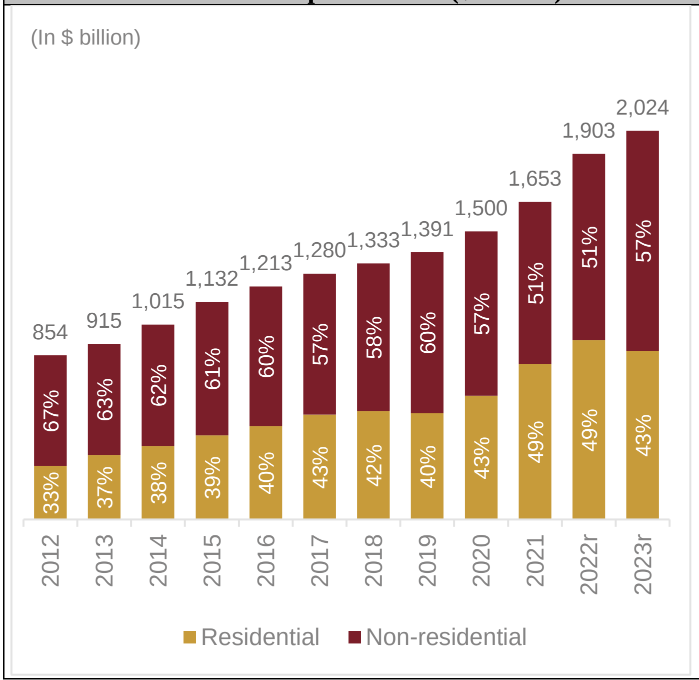
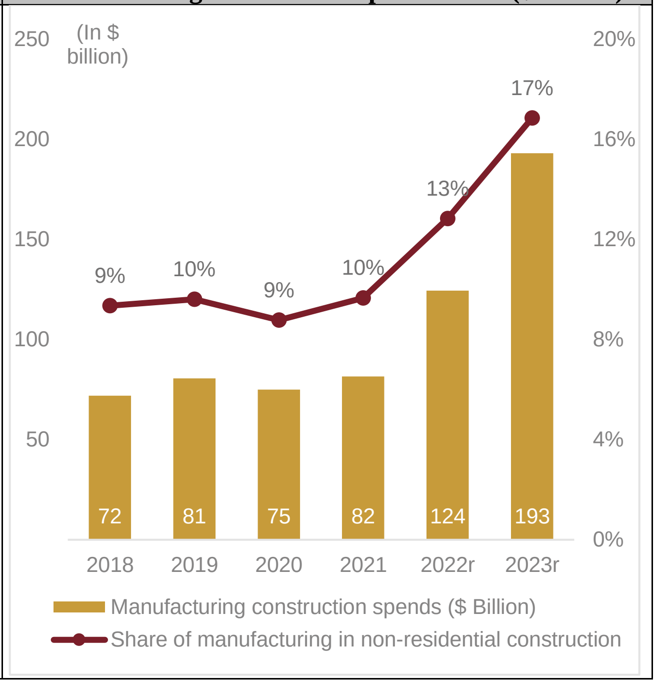
PEBs are being utilized in the construction sector across USA, a key region within North America that held a significant share of 28.5-30.5% as of CY2023 in global PEB market. In the USA, PEBs are being employed in variety of construction, including shopping malls, warehouses, factories, airport hangers, commercial buildings, hospitals, etc. This widespread use of PEB across multiple end use segments underscores the growing importance of PEBs in the overall construction landscape of the USA.

PEB market in USA is expected to grow due to increasing acceptance of non-conventional construction methods like PEBs, growing infrastructure spends by the government and expansion of end use industries like warehouses and storage.

Furthermore, there has been notable uptick in overall construction spends of USA as well, which has been a major growth driver of PEB. As per United States (US) Census Bureau, total construction spends stood at $ 2,024 billion in 2023 compared to $ 1,333 billion in 2018, thereby registering a CAGR of ~9%. Within overall construction spends, share of non-residential segment stood at 57%, while the reminder was with residential segment at 43%.

Additionally, as per US Census Bureau, the spends in the manufacturing sector has grown from $ 72 billion in 2018 to $193 billion in 2023, thereby registering an impressive CAGR of ~22% and outperforming the overall construction spends. Consequently, share of manufacturing sector in non- residential construction spends has increased from 9% in 2018 to 17% in 2023. This surge highlights significant construction investments in the industrial segment, which is a prominent end use segment within overall construction sector of PEB.

Overall, PEB segment in USA is expected to grow on account of growing demand from manufacturing and residential segment, increasing government spends on infrastructure segments, and surging acceptance of PEBs by the key stakeholders.

Construction spends- USA ($ Billion)	Manufacturing construction spends- USA ($ Billion)
	

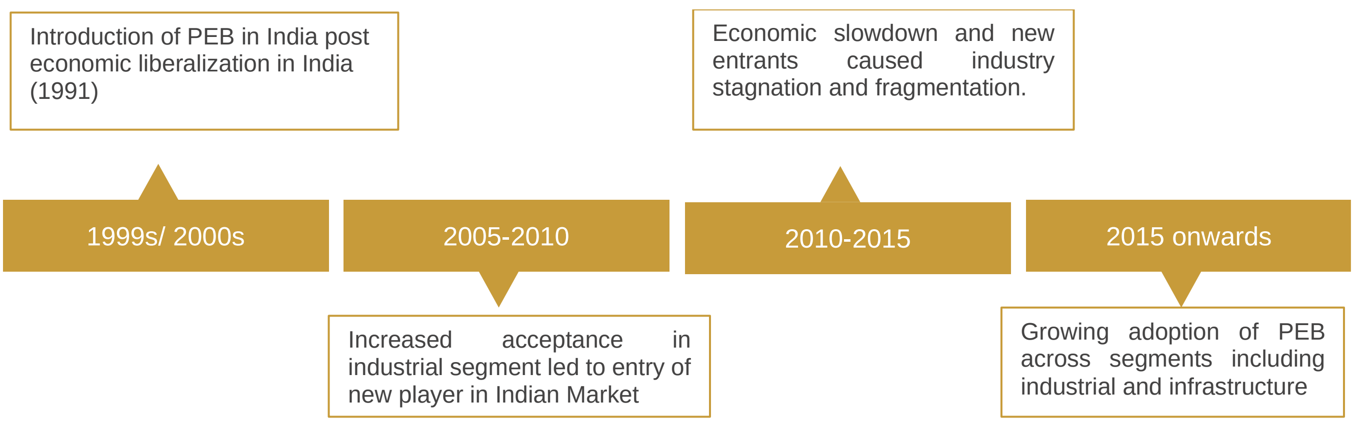
Note: r- revised
Source: US Census Bureau, CRISIL MI&A

4.6 Overview of pre-engineered buildings market in India

Evolution of pre-engineered structure market in India

Pre-engineered buildings were introduced in India during the late-1990s/2000s with the onset of India's economic growth post liberalisation in 1991. However, the acceptance among consumer verticals began in early-2000 with good growth during 2005-2010. Pre-engineered buildings started gaining prominence following a strong fixed capital formation in India and increased adoption by customers. This period of high growth saw new players enter the fray.

Evolution of PEB in India



Source: CRISIL MI&A

Overview of construction costs of pre-engineered structures

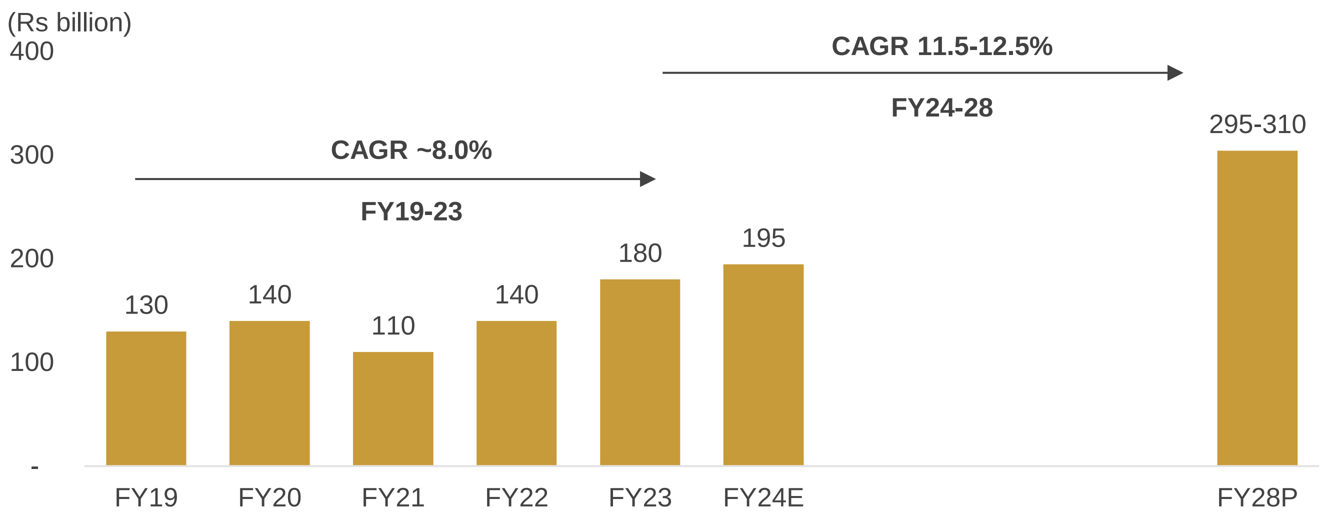
Pre-engineered buildings not only accelerate the overall construction process but also save labour costs and enable quicker occupancy/commencement of operations, leading to potential revenue generation at an earlier stage.

Due to the flexibility to shift these structures to other locations, pre-engineered structures help reduce potential capex costs, enabling organisations to adapt to changing operational needs without the financial burden of constructing new buildings.

PEB market in India to log 11.5-12.5% CAGR between fiscals 2024 and 2028

The industry expanded at a CAGR of ~8.0% over fiscals 2019-2023, growing from INR 130 billion in fiscal 2019 to INR 180 billion in fiscal 2023. Last fiscal, the industry grew ~8% on-year and was valued at INR 195 billion. The medium-term outlook is optimistic, with the industry growing at a strong 11.5-12.5% CAGR between fiscals 2024 and 2028 to INR 295-310 billion, supported by investments in the industrial and infrastructure sectors, such as warehouses and logistics as well as expressways (wayside amenities and toll plazas).

Pre-engineered buildings market in India



E: Estimated; P: Projected
Source: CRISIL MI&A

Large, organised players grow at faster clip than overall pre-engineered steel building industry

Within the overall industry, the top six players have grown at a faster growth rate as compared to the rest of the players. This higher growth of the top players can be attributed to higher reliability and capability, high quality raw materials used, good track record for execution and capability to provide innovative and effective solutions to customers.

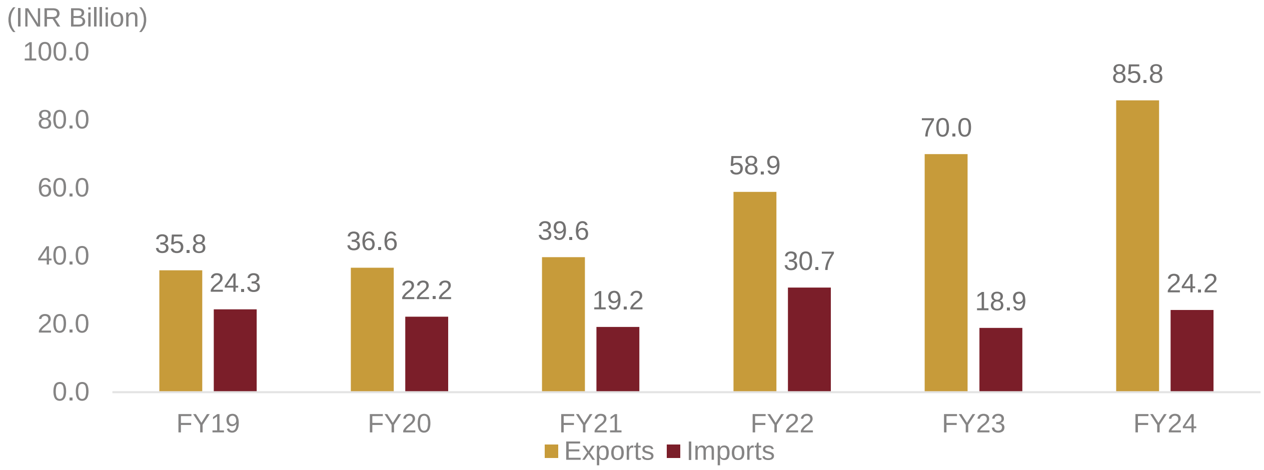
Industry platers	Revenue FY19 (₹ billion)	Revenue FY23 (₹ billion)	CAGR FY19-FY23 (%)
Top six players	42	65	11.4%
Rest of the industry	88	115	7.0%
Total industry	130	180	8.5%

Note: Top six players in terms of Financial Year 2023 revenue are as follows: Kirby Building Systems & Structures India Pvt Ltd, Pennar Industries Ltd, Interarch Building Products Ltd, Zamil Steel Buildings India Pvt Ltd, M&B Engineering, Everest Industries Ltd in no particular order
Source: CRISIL MI&A

PEB exports grew ~2x between fiscals 2019 and 2024

Exports of PEB increased to INR 85.8 billion in fiscal 2024 from INR 35.8 billion in fiscal 2019, implying a CAGR of ~19.1%. Compared with exports, imports registered a CAGR of (0.1%) during the period. This growing difference between the imports and exports of PEB from India indicates increasing domestic manufacturing/production of PEBs and global demand for PEBs from India, thereby leading to a positive trade balance.

PEB imports and exports — India



Notes: Following HSN codes are considered for the purpose of the chart above: 94069090, 73089090 and 73089010
Source: Ministry of Commerce and Industry, CRISIL MI&A

USA, UK, and Saudi Arabia were the major export location of PEB in fiscal 2024

In fiscal 2024, USA was the top export location of PEB from India with export value of INR 50 billion, making it the largest export market of PEB from India. USA was followed by UK and Saudi Arabia, with the export value of INR 2.2 billion and INR 2.1 billion respectively. Collectively, these countries contributed to ~63% of the total PEB exports from India in fiscal 2024.

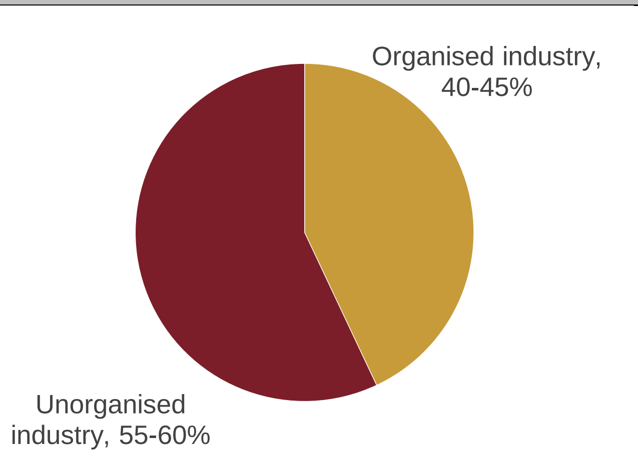
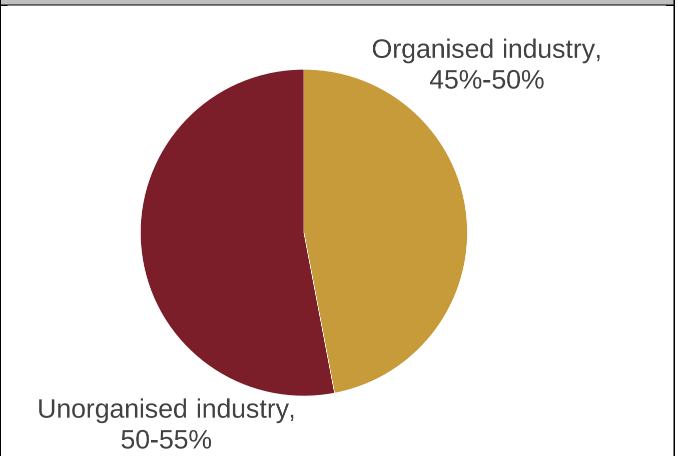
Increasing trend of orders of PEBs to Indian players

The doubling of exports in PEB market from India between fiscals 2019 to 2024 highlights an increasing trend of outsourcing to Indian players due to competitive pricing, manufacturing capabilities and adherence to quality standards. This trend of increasing exports highlights rising prominence of Indian PEB players in global markets, especially in countries like USA, thereby providing Indian players more opportunities in international markets.

Pre-engineered buildings market remains competitive with large unorganised vertical; organised sector remains superior to unorganised one

As of fiscal 2024, the organised industry held a 40-45% revenue share in the overall industry. Key players such as Interarch Building Products Ltd, Kirby Building Systems & Structures India Private Limited, and M & B Engineering Ltd, accounted for 50-60% of the market share in the organised industry. The organised industry is consolidated, with six key players accounting for 80-85% of the organised industry, which, in turn, held 35-40% of the overall industry in fiscal 2023. The remainder is the fragmented unorganised industry, which accounts for 55-60% of the overall market, as high capital investment is not required for entering the market. However, the organised sector has an edge over the unorganised sector in terms of a reliable track record, maximised supply-chain capabilities, and quality engineering services and products, due to which there has been a growing shift towards the organised sector. This shift is also expected to augment the revenue of players in the organised market.

Share of organised and unorganised sectors in PEB

FY24E	FY28P
	

Source: CRISIL MI&A

Share of infrastructure in pre-engineered buildings market to increase

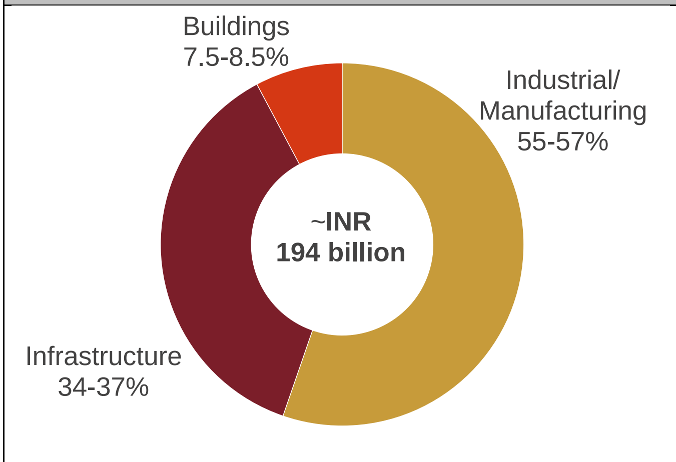
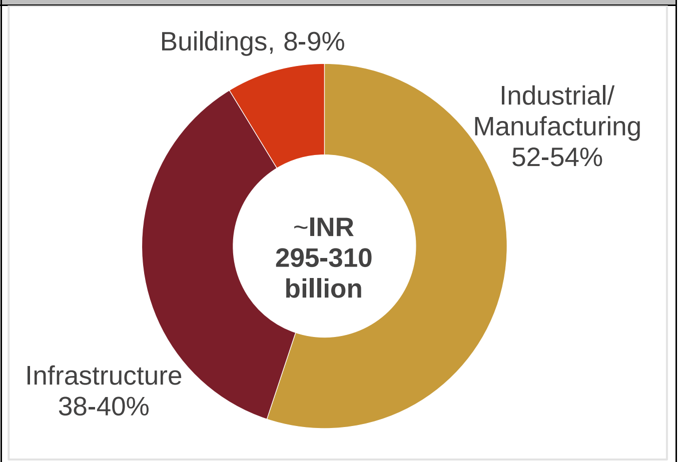
The pre-engineered buildings market in India can be divided into three broad end-use sectors: industrial, infrastructure and buildings (residential, commercial and non-commercial). The industrial sector, which held the largest market share (55-57%) in fiscal 2024, is expected to account for 52-54% of the market by fiscal 2028. The high industrial sector's share in the pre-engineered steel buildings market is led by higher penetration in the automobile, cement, and oil and gas markets, among others. Increasing investments by railways for moderation investments is also expected to provide an impetus to the PEB industry.

The infrastructure sector's share in the pre-engineered buildings market is expected to increase to 38-40% by fiscal 2028 from 34-37% in fiscal 2024. Pre-engineered buildings in the sector include warehouses, cold storage facilities, data centres, power plants, aircraft hangers and railway yards. PEB warehouses are also gaining prominence post GST implementation. In the pre-GST scenario, players preferred setting up warehouses in every state to save on inter-state taxes.

However, the industry has gained traction over the past 4-5 years, due to the implementation of GST; many large players have started investing in huge, modernised warehouses, which are PEB structures. This is on account of end-user industries moving towards a hub-and-spoke model as the need to establish warehouses in each states diminishes. Larger PEB warehouses of 100,000-200,000 sq ft are being set up as hub warehouses, and smaller warehouses of 20,000-30,000 sq ft would serve as the key 'spoke' warehouses. PEB warehouses generally have a height of 22-24 feet (typically higher than RCC).

Realignment towards the hub-and-spoke model is expected to result in major business opportunities for organised third-party logistics (3PL) players operating large-sized warehouses in key geographies. They not only provide huge modernised PEB storage but also warehouses equipped with racking and storage solutions, forklifts and reach trucks, and value-added services. 3PL players also have an asset-light model. They take warehouses on lease from warehousing developers, which, in turn, acquire the land and construct.

The buildings sector share in the pre-engineered buildings market, which was low at 7.5-8.5% in fiscal 2024, is estimated to remain range-bound at 8-9% in fiscal 2028.

FY24E	FY28P
	

E: Estimated; P: Projected
Notes:
1) 'Infrastructure' includes warehouses
2) 'Buildings' includes residential, commercial and non-commercial sectors
Source: CRISIL MI&A

SWOT (Strengths, Weaknesses, Opportunities, Threats) Analysis

Strengths	Weaknesses
• Growing acceptance of PEBs in the construction sector due to faster construction times and reduced dependence on onsite labour • Availability of improved and advanced machinery and technologies • Increasing access to international markets as substantiated by rising exports of PEBs from India • Rise in government-led innovative construction projects like Light house projects under the ambit of PMAY-U	• As Steel is the major raw material for PEB construction and a good conductor of heat, it reduces the thermal comfort of the building and the overall fire resistance of the building • Steel being one of the major raw materials for PEB construction, can make entire PEB structure susceptible to corrosion if not properly maintained

• Lauch of policies like Domestically Manufactured Iron & Steel Products (DMI&SP) and PLI scheme for specialty steel, which is expected to positively impact the availability and quality of steel as a raw material, supporting the PEB industry	• High presence of unorganized segment combined with lack of differentiated offering may result in price pressure. • Limited suppliers of high-grade steel, makes the industry susceptible to supply chain issues • Future expansions of PEB become difficult if such expansions are not properly thought out from the start of the project
Opportunities	**Threats**
• As of fiscal 2024, the share of PEB in the building, industrial and infrastructure sector was estimated at 0-1%, 13-15% and at 5-7% respectively. Overall share of PEB in construction was only around 3-5% as of fiscal 2024. This low share of pre-engineered construction in overall construction indicates high growth potential • Growing popularity of sustainable buildings may help the sector- PEB is a more sustainable alternative to conventional RCC buildings • Shift from RCC to PEB construction combined with low share of PEB in overall construction • Rising construction spends, especially in infrastructure segment, to boast the demand of PEBs • Low penetration of PEBs in building segments combined with increasing urbanisation to improve demand of PEBs in building segments • Increased industrial capex and planned capacity expansion by the companies to boost demand of PEBs • Growing demand from warehouses and cold storage due to increase in the penetration of ecommerce in India expected to help the domestic PEB industry	• Traditional RCC construction holds the dominant market share (95-97%), posing strong competition • Failure to gain widespread acceptance due to limited awareness, knowledge gap, and misconceptions can limit the growth • Lack of skilled labours including fabricators and designers may results in knowledge and experience gap, which may lead to operational inefficiencies • Increasing geopolitical uncertainties may adversely affect steel prices, which is the prominent raw material of PEB • Standardisation of PEB components often results in modular sizes and shapes, limiting the freedom to create highly unique or unconventional designs • Some parts of PEB structures may require significant replacement or maintenance from time to time, especially during the end of the lifespan of PEB structures

Source: CRISIL MI&A

Porter's five forces analysis

Porter's five forces	Description
Threat of new entrants: High	• The threat of new entrants in the pre-engineered construction industry is high due to its moderate capital-intensive nature, as it does not require substantial investments in terms of manufacturing facilities/factories, specialised equipment and skilled labour. • However, high-value clients prefer credible manufacturers of pre-engineered structures with a proven track record, which further makes it difficult for new entrants to capture the market. That said, lack of stringent regulatory policies and a high-capacity utilisation ratio make the industry more attractive to new entrants.
Power of customers: High	• The industry's fragmented nature, coupled with lack of undifferentiated products and services, provides high bargaining power to customers. In the case of large projects, the presence of a limited number of big-ticket suppliers, such as contractors and construction developers, reduces the bargaining power of buyers as vendor choice becomes limited. Tier 1 service providers compete on quality and pricing. • Overall, the highly fragmentated nature of the pre-engineered structure industry, coupled with inability to provide product differentiation, provides high negotiation power to customers, thereby negatively impacting revenue of players in the pre-engineered buildings market.

Porter's five forces	Description
Power of suppliers: High	• Supplier power is high as there are few large and credible suppliers of raw materials and components, allowing them to influence the industry. SAIL, Tata Steel and JSW hold 40-45% of the steel production market. Large pre-engineering companies that have established long-term relationships with these suppliers have an advantage in negotiations, leading to a more balanced power dynamic.
Competitive rivalry: High	• The industry exhibits high competitiveness, driven by fragmentation (55-60% share held by unorganised players) and a limited number of big-ticket clients. Furthermore, due to the increasing demand for standardised pre-engineered structures, the scope of product differentiation becomes limited, which puts additional price pressure.
Threat of substitutes: Low	• The threat of substitutes is low. One of its major alternatives is traditional on-site built construction. However, the advantages of pre-fabrication, such as cost savings, faster construction times and more eco-friendly nature, are positively impacting its demand. Traditional construction still holds a major share in overall construction.

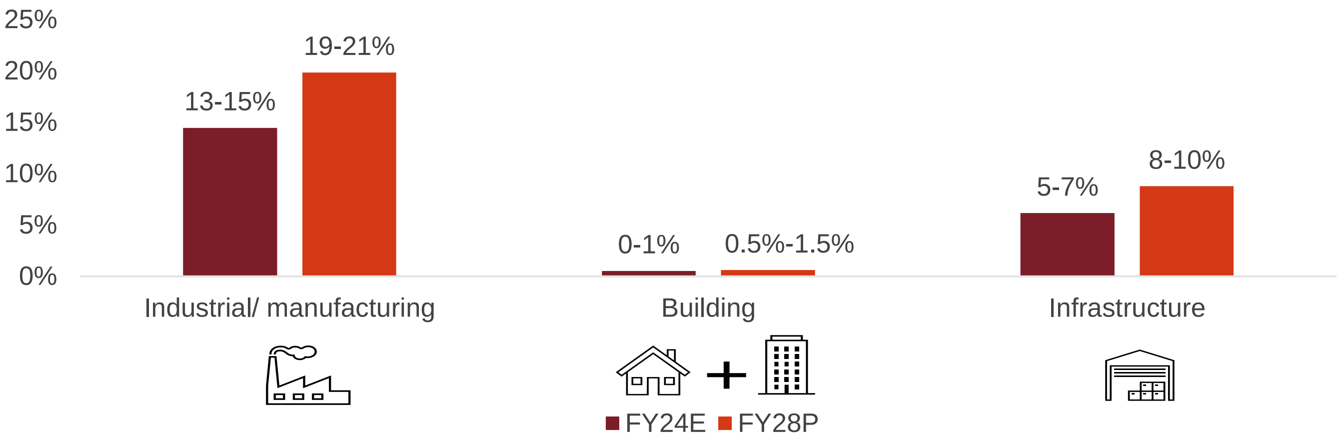
Source: CRISIL MI&A

Key growth drivers

Low penetration of PEB in the building sector

In fiscal 2024, the share of PEB in the building sector was estimated at 0-1%, considerably lower than the penetration of PEB in the industrial sector (13-15%) and infrastructure sector (5-7%). However, growing awareness of benefits of PEB over traditional construction methods, combined with low penetration of PEB in the building sector, provides room for further growth in this sector. Furthermore, growing urbanisation coupled with space and time constraints have fuelled the shift towards vertical construction from horizontal construction. This shift is also expected to increase the demand of PEB in buildings segment, especially in high-rise buildings.

Share of pre-engineered construction in various sectors



Infrastructure includes warehouse. Building includes residential, commercial and non-commercial verticals
E: Estimated; P: Projected
Source: CRISIL MI&A

Shift from RCC to PEB

Growing awareness of PEB structures along with their benefits over traditional RCC construction has led to an increase in PEB projects. Use of PEB not only helps in expediting the project timelines but also is more sustainable due to less wastage. As a result, pre-engineered construction structures are garnering greater acceptance over traditional onsite construction practices of erecting entire structures onsite. This positioning is expected to serve as a catalyst for growth of pre-engineered structures in the construction industry.

Increasing popularity of green and sustainable buildings

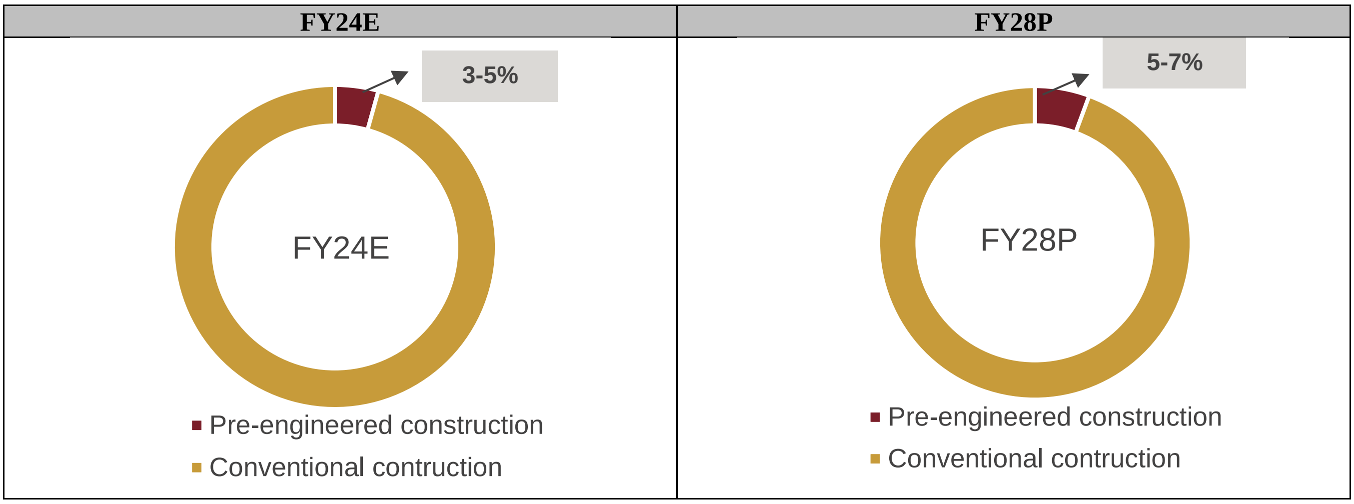
The increasing popularity of green and sustainable buildings among large corporations as well as logistics players is also driving growth of pre-engineered buildings, as streamlined processes minimise material waste and make these buildings more sustainable than traditional buildings. Additionally, steel, which is highly recyclable, is a major component in pre-engineered building construction.

Moreover, use of pre-engineered building structures supports deconstruction and reconstruction, enabling the building components to be reused or recycled at the end of their life cycle. This approach significantly reduces the amount of construction-related waste sent to landfills, leading to a more sustainable construction industry. Overall, the growing shift of logistics players towards green logistics is expected to support the pre-engineered building sector.

Low percentage share of pre-engineered construction in overall construction indicates high growth potential

The pre-engineered construction industry in India, even though gaining acceptance, is still in its infancy. As of Financial Year 2023, penetration of pre-engineered construction in the overall construction sector is estimated to be around 3-5%, compared to 2-4% in Financial Year 2019. This low share of pre-engineered buildings in India combined with the increasing of awareness of benefits of pre-engineered buildings over RCC, provides a substantial growth potential of pre-engineered buildings in India. This will help in increasing the share of pre-engineered construction in overall construction to 5-7% by Financial Year 2028.

Share of pre-engineered construction in overall construction



P: Projected; E: Estimated
Source: CRISIL MI&A

Low steel consumption in India

As of calendar year 2023, the country's annual per capita steel consumption stood at 93 kg per annum, compared with the global average of 219 kg. Favourable government policies such as the National Steel Policy aim to increase India's per capita steel consumption and create a technologically advanced and globally competitive steel industry in the country to promote self-sufficiency in steel production as well as economic growth. The National Steel Policy focuses on the following three main aspects:

- Increase consumption of steel through major sectors (segments) of infrastructure, automobile and housing
- Achieve 300 MT of steelmaking capacity by 2030
- Increase per capita steel consumption from around 60 kg in 2017 to 160 kg by 2030

This is expected to aid the pre-engineered building industry by positively impacting the quality of steel available, which is the dominant raw material required for pre-engineered buildings. Additionally, increasing penetration of pre-engineered buildings in infrastructure projects, coupled with the National Steel Policy's aim to boost steel consumption in the infrastructure sector, is expected to positively impact pre-engineered buildings.

Increased focus on renewable energy capacity addition

In renewable energy space, CRISIL expects strong capacity additions of 290-300 GW till Financial Year 2030. Within the total capacity additions, solar and wind will see the highest capacity additions of 180-190 GW and 55-60 GW respectively. Additionally, CRISIL expects share of non-fossil in generational mix to increase to 45% by Financial Years 2030, with solar accounting for 50% of incremental non fossil generation. These capacity additions will require substantial capex in development of needed infrastructure. CRISIL expects capex of ~ INR 30.3 trillion in renewable energy space between fiscals 2024-2030.

Additionally, the launch of National Green Hydrogen Mission on 4th January 2023 with an outlay of Rs. 197 billion up to FY 2029-30 will also positively impact the sector. This mission aims to accelerate the deployment of Green Hydrogen as a clean energy source, will support the development of supply chains that can efficiently transport and distribute hydrogen. This includes the use of pipelines, tankers, intermediate storage facilities, and last leg distribution networks for export as well as domestic consumption. It aims to contribute to India's goal to become self-reliant through clean energy.

Infrastructure development and investments to support demand for PEB

India's focus on infrastructure is increasing owing to government policies such as metro rail projects and the National Infrastructure Pipeline, which are expected to be major growth drivers for the pre-engineered construction industry in the country. Between fiscals 2018 and 2022, investments in infrastructure in India increased at a CAGR of 7% to INR 11 trillion. Within this, central government accounted for 49% of the pie and states for 29%, with the private sector accounting for the balance.

CRISIL expects focus on infrastructure development to continue. Effective central government capex (capex + grants-in-aid for creation of capital assets) is budgeted to rise to 4.5% of GDP in fiscal 2025. This will cushion the economy through its relatively large multiplier effect, and at the same time is expected to crowd in private investment, especially in infrastructure-linked sectors such as steel and cement. Additionally, infrastructure capex is expected to log a CAGR of 11% between fiscals 2023 and 2027, rising 67% compared with fiscal 2018-2022, led again by government spending. This increased government spending on infrastructure, along with growing awareness of benefits of pre-engineered buildings over traditional construction, is expected to boost demand for pre-engineered buildings in India.

Increasing construction investments in Indian Railways

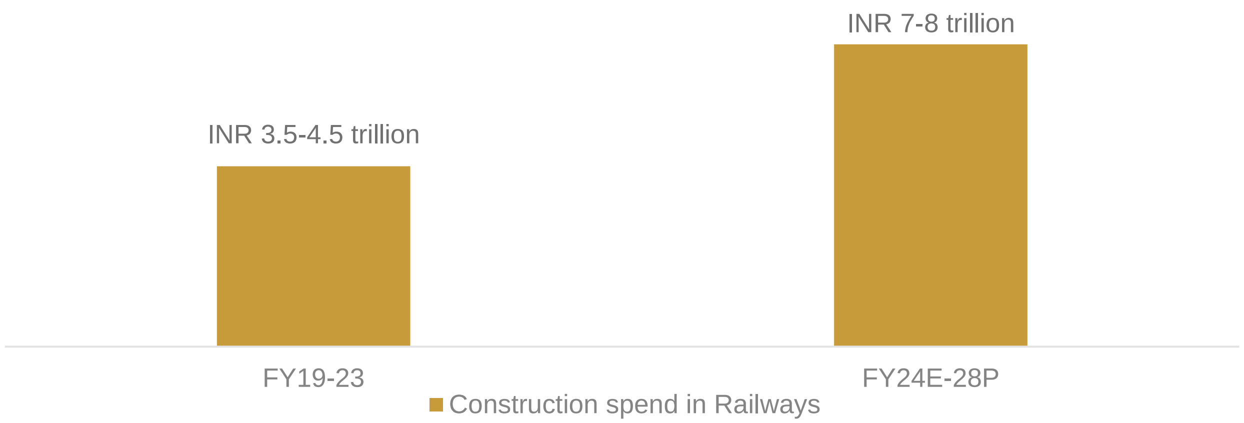
The Indian Railways is the fourth largest rail network globally. It is also the largest employer in the country and the eight largest in the world. The Railways envisions capturing a substantial 40% global rail activity share by 2050. The National Rail Plan (NRP) 2030 expects to bolster capacity to meet future demand, targeting a 45% modal share in freight traffic by 2050.Vision 2024, an NRP initiative, accelerates critical projects, such as electrification, multi-tracking and speed enhancements on key routes.

The government is increasingly focusing on moderation of the Indian Railways through various programmes, including rolling out of Vande Bharat trains, station redevelopment, electrification and dedicated flight corridor projects, boosting investment in this sector.

CRISIL estimates the investments in the Railways in fiscal 2024 to have increased 12-14%, led by a rise in budget allocation for railways, implementation of high value projects, such as the Mumbai-Ahmedabad bullet train, station redevelopment and completion of the freight corridor. The increase follows an expected rise of 32-34% in investments in the Railways in fiscal 2023, owing to government focus on the completion of dedicated freight corridor projects, traction in high-speed rail, investment in newer avenues, such as Vande Bharat trains and station redevelopment programme.

This increased construction spends on Railways is expected to boast demand of PEBs as PEBs/ prefabricated buildings are finding increasing applications in the railways sector through portable cabins, row housing, storage houses and platform shelters, owing to multiple benefits, including increased strength and shortened project timelines. Furthermore, use of PEB structures can considerably reduce the construction time and post construction maintenance requirements. Additionally, for bigger steel structures, such as workshop sheds and platform shelters, PEB structures are customised based on the site condition and are lighter, compared with conventionally designed steel structures. This reduces the requirement for steel, which saves cost. The post-construction maintenance requirement of PEB structures is lower, compared with the conventional steel structures, decreasing post-construction expenses as well.

Construction spends in Railways



Source: CRISIL MI&A

Long term investment in airports to double, driven by expansion of brownfield airports

CRISIL expects that capex investments in airports grow by 40-45% driven by expansion Bangalore, Delhi, Hyderabad and Chennai airports as well as with progress of greenfield projects at Jewar, Navi Mumbai, Mopa and Bhogapuram airports.

CRISIL expects construction spending on airports will be an estimated Rs 520-570 billion over fiscals 2024 to 2028, compared with ~Rs 300 billion over the previous five years. The monetisation of existing assets by AAI, stake sales in the privatized metro airports would lead to recycling of funds leading to investment in UDAN airports.

Construction spends in Airports

Source: CRISIL MI&A

Increasing focus on indigenous manufacturing of aerospace components

Aerospace and Defence industry deals with the manufacturing and supply of aircraft, helicopters, Missiles, Satellites or components for this equipment. The key driving factor for growth in the industry is the Defence Procurement policy (DPP) and increase in budget allocation for capital acquisition of aircraft related equipment.

Indian government aims at increasing the indigenous production by opening the sector for foreign participation and through schemes like Defense procurement policy of 2016, Make in India, etc.

Subsequently, Defence PSUs such as HAL, have been taking initiatives to increase domestic sourcing across various components. Hindustan Aeronautics Limited (HAL) Helicopter Factory, India’s largest helicopter manufacturing facility, has been inaugurated in 2023 and produce Light Utility Helicopters (LUHs) initially. The factory will begin with producing around 30 helicopters per year and can be enhanced to 60 and then 90 per year in a phased manner.

Warehouse and cold storage expansion to be major contributors to PEB demand

Due to increasing e-commerce penetration and changing customer preferences, companies are also investing in warehousing and cold storage facilities. Additionally, due to rapid urbanisation and economic growth in developing countries, various companies are seeking faster and more cost-effective ways to construct their warehouses. Pre-engineered buildings are preferred for their cost-effectiveness and speedy construction compared with RCC buildings. They require less manpower and construction time, leading to cost savings. Increased adoption of pre-engineered buildings in warehouse construction will boost overall pre-engineered market growth. Overall, CRISIL projects construction investments in the warehousing (agricultural and industrial) and cold storage (single- and multi-commodity) sectors to rise to INR 400-420 billion during fiscal 2024-2028 from INR 230 billion during fiscal 2019-2023 on expectations of increased demand. Additionally, as of fiscal 2023, penetration of PEB in warehousing was estimated at 37-40%, which is expected to increase to 57-60% by fiscal 2028. This increased penetration of PEB in warehousing, along with increased demand for warehouses, will provide a fillip to the overall pre-engineered building industry.

Increasing demand of data centres in India

As per the draft Data Centre Policy 2020, data centres to be declared as an Essential Service under The Essential Services Maintenance Act, 1968 (as amended). Furthermore, Data Centre Economic Zones will also be set up for the long-term growth of data centres in India. CRISIL expects installed data centre IT capacity to increase from 780 MW in fiscal 2023 to ~1,700 MW by fiscal 2026, thereby registering a CAGR of ~30%. Additionally, revenue is expected to grow ~2x to reach ~INR 200 billion by fiscal 2026 from ~ INR 84.5 billion in fiscal 2023.

These policies combined with the RBI mandate advising all payment system providers to store entire data related to payment systems operated by them in a system only in India is expected to provide impetus to data centre in India, which in turn is expected to boast the demand of pre-engineered buildings.

Rise in government-led innovative construction projects

Policy and regulatory factors play a crucial role in shaping demand, growth and adoption of prefabrication and pre-engineering in the construction sector. For example, government schemes such as PMAY have been instrumental in driving demand and growth of the prefabrication and pre-engineering industry, especially in the housing sector. Light house projects under the ambit of Pradhan Mantri Awas Yojana-Urban (PMAY-U) use distinct technologies to offer affordable and quality housing in an accelerated timeframe.

The increased focus of both central and state governments on providing low-cost housing in the country is expected to boost demand for cold form structures in the future. Additionally, government initiatives such as the light house project are expected to encourage wider adoption of such technologies across India, thereby driving demand for prefabricated and pre-engineered construction structures.

Summary of growth drivers

Sector	Growth drivers
Overall	• Low per capita steel consumption in India along with government schemes like National Steel Policy, which aims to boast domestic steel production is expected to the help the PEB industry which is highly dependent on few steel suppliers. • Approval of specialty steel under Production Linked Incentive (PLI) Scheme with a budgetary outlay of INR 63.2 billion and capacity addition of 25 MT will positively impact the availability as well as quality of steel as a raw material.
Industrial/ Manufacturing	• Overall industrial capex is expected to rise to nearly INR 5.7 trillion on average between fiscals 2023-2027 with PLI and new-age sectors contributing to 15-17% of the total industrial capex. • Construction investment in the industrial sector is projected at INR 4-5 trillion between fiscals 2024-2028, rising 1.2 times over spends seen in fiscals 2019-2023. The rise in investment is projected due to inclusion of the PLI scheme in the capex investments of the industrial sector. • Construction investments in oil and gas sector are expected to increase to INR 2.5-2.6 trillion over fiscals 2024-2028. These investments will be driven by refinery expansions at HPCL's Barmer, Vizag, IOCL Barauni, Numaligarh, capacity expansion plans announced by RIL and increasing investments towards retail outlets.

Sector	Growth drivers
	• Increasing popularity of green and sustainable buildings, along with the benefits of faster construction time and reduced material wastage is expected to increase adoption of PEB. • Growing penetration of EV vehicles in India led by favourable government initiatives like FAME, reduction of GST will require robust EV infrastructure.
Infrastructure	• Infrastructure capex is expected to log a CAGR of 11% between fiscals 2023-2027, rising 67% compared with the fiscals 2018-2022. This is expected to boast the demand of pre-engineered buildings in India. • Growing demand from warehouses and cold storage due to increase in the penetration of ecommerce in India. Additionally, post implementation of GST as well as shift to hub and spoke models, large PLI players have started investing in PEB warehouses. • Increasing construction investments in railways, driven by investments in network decongestion, dedicated freight corridors and high-speed trains. Overall, construction investments in railways, stood at ~INR 3.5-4.5 trillion between fiscals 2019 and 2023, which is estimated to increase to INR 7.0-8.0 trillion between fiscals 2024 and 2028 • Increase in the demand of data centres India along with RBI mandate to store payment data locally in India, will boast the demand of pre-engineered buildings in India owning to increasing penetration of PEBs in data centres. • Growing focus on renewable energy capacity additions will require substantial capex in this field. CRISIL, expects capex spends of ~ INR 30.3 trillion in renewable energy space between fiscals 2024-2030. • Increasing focus on indigenous manufacturing of aerospace components as well as growing construction spends for airports.
Building	• Low share of pre-engineered construction in building (residential + commercial + non-commercial) construction (~0-1% as of fiscal 2024), along with increasing awareness of PEB in India will positively impact the demand of PEB. • Investments in building sector is expected to rise to INR 16-16.6 trillion between fiscals 2024-2028 from an investment of INR 12-12.5 trillion between fiscals 2019-2023, growing ~1.3 times. • Construction spends of INR 340-360 billion over the fiscals 2024- 2028 are expected in healthcare space. Additionally, shortage of suitable healthcare infrastructure during Covid-19 has increased the awareness of PEB in healthcare space with MoHFW consulting experts from notable institutions regarding suitable options available for pre-engineered structures (panels) in case of healthcare infrastructure. • Rise in government-led innovative construction projects like Light house project under the ambit of PMAY- U will provide more awareness of non-conventional construction methods like PEB in India.

Source: CRISIL MI&A

Key challenges

Vulnerability to fluctuations in raw material prices

Prices of raw materials, mainly steel, could affect project costs, profitability and project timelines. According to industry sources, the pre-engineered steel building industry relies heavily on a limited number of high-quality steel suppliers, including Tata Steel, Nippon Steel, ArcelorMittal Nippon Steel India, Steel Authority of India Ltd, Jindal Steel & Power Ltd, etc, for raw materials such as hot-rolled (HR) coils and high-grade S345 MP. The limited base gives these suppliers significant negotiating power, and the dependence on a small pool of suppliers makes the industry susceptible to supply-chain issues.

Due to high dependence on steel, the ability of players to tackle challenges related to input costs and working capital becomes crucial for the industry's success. Additionally, steel prices are also susceptible to global geopolitical events, which further emphasises the need for strategic resource planning.

Transportation challenges

As pre-engineered structures are manufactured offsite, transportation of these structures to the construction site involves logistics expenses, which are a function of the distance and the complexity of the transportation process and can significantly impact the overall project cost. Furthermore, these components are susceptible to damage during transportation and handling and may require rework or replacement, which, in turn, could lead to additional costs and project delays.

Hence, increasing distance between the installation site and the manufacturing plant may impact price competitiveness.

Additional safeguards to withstand natural disasters

Construction projects, including pre-engineered structures, must adhere to building standards to ensure they can withstand earthquakes and other seismic events. However, the intensity and frequency of seismic events such as earthquakes depend on the geological setting and may vary based on the location. Hence, pre-engineered structures should be designed after due consideration and study of the seismic classification and history of the construction site. However, this can complicate their design and manufacturing process and may involve incorporating additional engineering measures and special materials to enhance the structural durability of such prefabricated structures.

Medium capital outlay and fragmented industry

The pre-engineering industry does not require significant upfront capital investments in terms of manufacturing facilities and suitable technology, leading to fragmentation with multiple manufacturers, suppliers and contractors operating independently. Hence, intense competition is impacting margins of players.

Design limitations

Standardisation of pre-engineered components often results in modular sizes and shapes, limiting the freedom to create highly unique or unconventional designs that require non-standard dimensions. Structural constraints must be carefully considered in manufacturing pre-engineered structures to ensure the stability and safety of the structure.

Limited knowledge and lack of skilled manpower

The pre-engineered construction industry in India is in its infancy, because of which there is a shortage of skilled personnel with adequate technical knowledge of these structures. Designers play a crucial role in creating designs for the successful implementation and integration of pre-engineered buildings, but not all designers may possess adequate knowledge and experience in modular construction techniques.

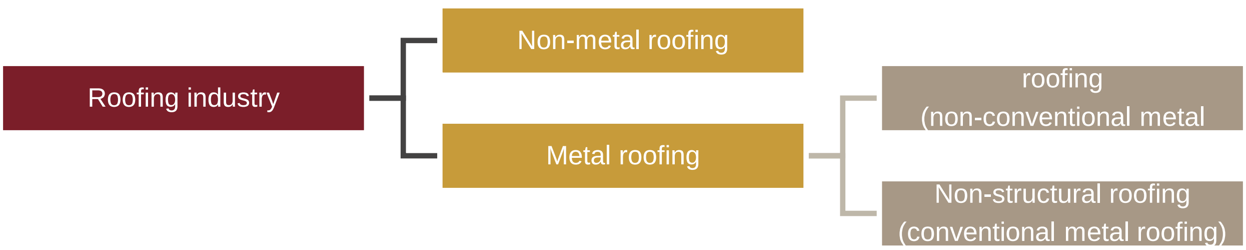
5. ASSESSMENT OF THE SELF-SUPPORTED ROOFING INDUSTRY

5.1 Overview of self-supported roofing

The roof of a building serves as its topmost structural covering forming an enclosed space to shelter its habitants and protect the enclosed space from rain, heat and wind. A roof also comprises structural elements that support the roof coverings, which are chosen based on several factors, including cost effectiveness, availability, durability and aesthetic appeal, among others.

The roofing industry can be broadly divided into metal and non-metal. Non-metal roofing includes roofing made of materials such as ceramic tiles, Teflon fabric, shingles and wood, among others. The metal roofing comprises roofing made of aluminium, galvalume steel and copper, among others. Metal roofing can be further bifurcated into structural/ self-supported and non-structural.

Classification of the roofing industry



Source: CRISIL MI&A

A self-supported steel roofing system can cover wide spans eliminating supports such as purlins or beams. The span distance that can be achieved depends on various factors including the type of roofing panel utilised, and the safe loads that can be taken by the requirements of the roof. This capability to achieve large spans without any structural and continuous support not only provides additional space, but also reduces the need for extensive support structures, thus offering cost and material saving advantages in construction projects.

On the other hand, conventional metal roofing requires continuous structural support or closely spaced secondary support elements, such as purlins, channels or trusses, which provide crucial reinforcement and stability to the roofing system. By mandating consistent support, conventional metal roofing systems may require more material and labour during installation, compared with their self-supported roofing counterparts.

Self-supported steel roofing majorly finds its usage in many of industrial and commercial constructions in industries, such as warehousing, railways, cement plants, manufacturing units, food processing units, factories, convention centres, sports complexes, worldwide.

5.2 Key advantages of self-supported roofing

Advantages	Description
Structural stability through arch design	In a self-supported roofing system, stability is guaranteed through an arch design principle eliminating the need for truss, purlins or intermediate supports, thus providing larger internal space.
Versatile clear span options	A self-supported roofing system can offer unobstructed clear spans ranging from nine to ~34 metre.
Maintenance-free roofing panels	In a self-supported roofing system, roofing panels are mechanically seamed (interlocked) and are free from holes, nuts, bolts overlaps and sealants, which ensures minimal maintenance requirements.
Leak-proof roofing solutions	A self-supported roofing system incorporates mechanical sealing techniques for 100% leak-proof roofs, ensuring protection against water ingress and damage. Reliable sealing mechanisms maintain the roofing system's integrity under diverse weather conditions, safeguarding interior spaces effectively.
Efficient execution and installation	A self-supported roofing system focuses on rapid installation and erection of structure, covering areas, such as 1,500 sq m within 12 hours of timeline. This would aid in minimising construction time and labour costs while optimising the overall project timelines for customers.
Aids in enhancing building environment	Eliminates bird nuisance, contributing to cleaner, more hygienic building environment, in addition to enhancing occupant comfort and well-being.
Extended lifespan	Given the structural integrity, usage of high-quality material, such as per-painted galvalume aids in avoiding corrosion and leaks, increasing the longevity of the roofing system, with a typical lifespan ranging from 35 to 40 years.

Source: CRISIL MI&A

5.3 Overview of self-supported roofing industry

The self-supported roofing market in India grew 11% between fiscals 2019 and 2023

The self-supported steel roofing market in India logged a CAGR of 11% between fiscals 2019 and 2023 to reach INR 3.2 billion. This increase in demand can be attributed to growth in infrastructure and industrial segments, which are the major end use segment of self-supported roofing in India, witnessing construction spends of INR 27 trillion and INR 3.5 trillion between fiscals 2019 and 2023, respectively. Increased investments in the Railways also contributed to the growth as self-supported steel roofing is finding applications at railways stations and sheds, owing to their durability.

The self-supported roofing market in India is estimated to moderately grow 5-6% between fiscals 2024 and 2028 to reach INR 3.5-3.6 billion, on the back of continued investments in infrastructure and industrial segments as well as increasing awareness of the benefits of self-supported roofing.

Growth drivers for self-supported roofing industry in India

Growth in industrial warehousing demand

Warehousing plays an active role in various industries, acting as a backbone for storage, logistics and distribution. One of key drivers of the self-supported steel roofing industry in warehousing is the need for large open spaces without internal columns or support. This allows for flexible storage arrangements and seamless movement of goods within the warehouse, optimising utilisation and improving operational efficiency. Furthermore, the expansion of e-commerce and quick commerce has mandated the need for strategically located distribution centres. The COVID-19 pandemic-induced lockdowns provided a thrust to the e-commerce industry in India. The industry witnessed an addition of several first-time buyers, and it is expected many of them would continue their transactions on e-commerce platforms even post-COVID given the convenience these e-commerce platforms provide. In order to improve the convenience offered to their buyers, the e-commerce companies are aiming for quicker deliveries with even services like same-day delivery on offer. In order to possess and enhance their fast delivery capabilities, the e-commerce companies require operational points closer to the city limits. Therefore, it is expected that the e-commerce companies will have an increased need for warehouses near city limits in order to carry out their operations.

A self-supported roof would be advantageous for e-commerce players in the construction of warehouses in prime locations, owing to its low-cost maintenance and faster installation. Thereby resulting in shorter construction timelines. This facilitates efficient last-mile logistics, contributing to the overall efficiency of supply chain operations.

CRISIL expects industrial warehouse addition to have increased 15-20% on-year in fiscal 2024, owing to dropping vacancy levels and softening commodity prices. Supply addition is expected to go up 15-20% on-year. This would translate to an addition of 43-48 million sq ft during the year. Over the long term (between fiscals 2024 and 2028), the annual demand for Grade A and Grade B warehouses in the top eight Indian cities is expected to log a CAGR of 10-15%. The annual supply is also expected to record a similar CAGR in the said period. This demand will be fuelled by robust 3PL demand from different sectors, such as electronics and white goods, retail and fast-moving consumer goods to optimise the logistics and supply chain of the companies, which makes it a lucrative option for companies in the aforementioned sectors. Additionally, the retail industry also witnessed a marked shift in India since the Covid-19 pandemic. A significantly high proportion of retailers are resorting to omni-channel sales wherein they are pursuing selling of their products on online platforms. Additionally, the retailers are also maintaining higher inventories near city limits to increase the speed of servicing the demand for products and because they have witnessed a reduction in the replenishment cycles. Owing to the trends outlined above, the e-retail industry is expected to continue seeing expansion of fulfilment centres and dark stores. The fulfilment centres will expand near the supply and demand centres, owing to the typical characteristics of the e-retail industry of dynamic order size and low turnaround time.

Government focus on agriculture warehousing

In order to address the shortage of food grain storage capacity in the country, the Government in May 2023, has approved the "World's Largest Grain Storage Plan in Cooperative Sector", which is being rolled out as a Pilot Project in different states/UTs of the country.

The Plan entails creation of various agri infrastructure at Primary Agricultural Credit Societies (PACS) level, including setting up decentralized godowns, custom hiring center, processing units, Fair Price Shops, etc. through convergence of various existing schemes of the Government of India (GoI), such as, Agriculture Infrastructure Fund (AIF), Agricultural Marketing Infrastructure Scheme (AMI), Sub Mission on Agricultural Mechanization (SMAM) Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME), etc. Under these schemes, PACS can avail subsidies and interest subvention benefits for construction of godowns/storage facilities and setting up of other agri infrastructure.

This growth in agricultural warehousing further amplifies the need for self-supported roofing solutions. These roofs, free from leaks and bird nuisance, enable to preserve the food quality and reduce the agricultural spoilage. In fiscal 2024, production of key crops is expected to have increased materially, owing to low base of the previous fiscal and other factors, such as greater acreage and high prices. Furthermore, restrictions on exports are also expected to bode well for warehousing demand. Consequently, demand for agricultural warehousing is likely to have grown 3-5% on-year in fiscal 2024. Over fiscals 2024 and 2028, CRISIL expects the demand to clock a 2-4% CAGR, to reach ~0.8 billion sq ft, backed by expectations of normal monsoons and sufficient reservoir levels.

Growth in railway investments

Construction spends in railways, which rose more than 30% in fiscal 2023, is expected to have increased 12-14% in fiscal 2024. While the dedicated freight corridor was the key focus of investments in the sector during previous fiscals, network decongestion, station redevelopment and the bullet train projects will drive spending going forward. Central budgetary allocations to railways grew 15% in fiscal 2024 over the revised budgetary estimate of fiscal 2023. About 80% of the planned outlay is expected to be financed through budgetary support, and the remaining through internal sources and market borrowings/institutional finance.

Additionally, the central government plan for transforming more than 1300 railway stations in the country will also contribute to the demand of self-supported roofing in India. On February 2024, Prime Minister laid foundation stone for redevelopment of 553 railway stations, whereas work on redevelopment of 508 railway stations is already in progress, whose foundation stone was laid by the Prime Minister in August 2023. The Amrit Bharat Station Scheme signifies a concerted effort by Indian Railways to modernize its infrastructure in order to elevate the travel experience for millions of passengers. The scheme envisages building modern passenger amenities like aesthetically designed façade, resurfaced platforms, beautiful landscaping, roof plaza, kiosks, food courts, kids play area among others. Efforts to ensure smooth access encompass widening roads, removing unwanted structures, installing well-designed signages, establishing dedicated pedestrian pathways, and enhancing parking facilities, alongside improved lighting arrangements.

CRISIL expect construction spend at INR 7-8 trillion over fiscal 2024 to fiscal 2028 as compared with INR 3.5-4.5 trillion over fiscal 2019 to fiscal 2023, led by investment in network decongestion and high-speed rail. This investment growth is expected to contribute positively to self-supported roofing demand. Infrastructure projects in railways, including stations, Limited Height

Subway (LHS), washing lines, workshops, car sheds, and maintenance facilities, require roofing solutions that are durable, leak-proof and time efficient. As self-supported roofing systems provide multiple benefits including these, these become the preferred choice in multiple investment projects. Hence, the demand for self-supported roofing is estimated to grow further.

Growing demand for new-age roofing systems

As construction practices and technology evolve, acceptance of and demand for new roofing systems, such as self-supported roofing, metal sheets, etc, has been growing.

Self-Supported steel roofing provides structural integrity and durability to the building. Its flexible design optimizes space utilization and architectural design. Furthermore, it also streamlines project timeline by reducing delays, allowing for quicker completions and potential long term cost savings.

As technology advances further, companies will have access to more sophisticated engineering software for better understanding of roof dimensions. This will help ease the technical requirements of non-conventional roofing systems, which will further provide impetus to self-supported roofing systems.

Growing revenue of MSME segment

Micro, small and medium enterprises (MSMEs) segment forms an integral part of economy in terms of its contribution in GDP, employment, exports and lending. Despite hiccups created by pandemic over the last several quarters, recovery across most SME sectors is evident in recent months. In long term, the segment will continue to offer attractive business opportunities for financiers.

MSME sector revenue growth is estimated to have grown by 7-7.5% in fiscal 2024 on a high base of previous two fiscals; driven by construction, healthcare, and consumption linked sectors. Moving forward, MSME sector growth is expected to improve to 8-9% in fiscal 2025.

This growth of MSME sector is anticipated to drive the demand of new infrastructure like warehouses, manufacturing units, commercial spaces, etc. This, in turn is expected to boast the demand for self-supported roofing.

Key challenges of the self-supported roofing industry

Growth drivers	Description
Shortage of qualified workforce	Self-supported roofs are usually made on site. They are custom-made as per building measurements. Hence, planning, designing and installation requires specialised skills. Shortage of skilled labour can lead to potential delays in project timelines and higher labour cost.
Fluctuating raw material cost	The cost of primary raw materials such as steel and PPGL can be an issue due to geopolitical concerns and global supply chain disruptions. This would not only delay the project but also lead to cost overruns.
Lower awareness compared to traditional roofing systems	Due to low awareness of self-supported roofing in India, traditional roofing methods are often preferred due to familiarity, availability of the labour and established practices. Lack of awareness about the benefits of self-supported roofing also leads to reluctance in adoption, limiting the growth of the self-supported roofing industry.
Large unorganized market	The self-supported roofing industry is fairly unorganized with multiple small players operating in the market. This leads to varied pricing as inconsistent quality, creating difficulties in identifying reliable suppliers with good quality products. Additionally, the substantial presence of unorganized sector also intensifies competition and exerts pricing pressure.
High entry barriers	Entry in self-supported roofing market involves significant barriers, including moderate capital requirements, access to advance equipment and specialized technical expertise. Additionally, large corporates usually prefer players with a strong market presence and proven past performance, creating additional challenges for new entrants to gain foothold in the market.

Source: CRISIL MI&A

6. ASSESSMENT OF COMPETITIVE LANDSCAPE OF PRE-ENGINEERED BUILDINGS INDUSTRY IN INDIA

6.1 Overview of key players

Company name	Year of incorporation	Business overview[1]
Bansal Roofing Products Limited	2008	Bansal Roofing Products Limited was founded in 2008 and is into manufacturing of PEBs, decking sheets, roofing Sheets and Roofing Accessories such as Colour Coated Roof Sheets, FRP Roof Sheets, and Polycarbonate Sheets, etc.
Everest Industries Limited	1934	Everest Industries Ltd is a pre-engineered steel building manufacturer in India and has ~90 years of experience in supporting industrial projects, warehousing infrastructure, multi-storey process buildings, composite structures and pipe racks, among others.
HIL Limited	1955	HIL Limited is a CK Birla Group company. The company has multiple offerings in building material solutions including fiber cement humid cure roofing sheets, autoclaved aerated concrete blocks (fly ash blocks), fiber cement board and panels, plumbing solutions, wall care putty, etc.
Interarch Building Products Limited	1983	Interarch Building Products Ltd has 40+ years of experience in pre-engineered steel construction related to design, manufacture, logistics, supply and project execution. It has worked with industry players in project development and construction, providing support to industrial, commercial and infrastructure projects.
Kirby Building Systems & Structures India Private Limited*	2005	Kirby Building Systems & Structures India Pvt Ltd is engaged in the business of manufacture and construction of Pre-Engineered Buildings/ Steel Structurals / Industrial Racking and components of iron and steel. It executes projects across multiple industries, including industrial, commercial, agriculture and infrastructure. Kirby is a 100% subsidiary of Kuwait-based Alghanim Industries, which has experience of more than 40 years in PEB industry.
M & B Engineering Limited	1981	M&B Engineering Ltd is an engineering solutions provider for construction of steel structures in India, engaged in the manufacturing of pre-engineered buildings (PEBs), self-supported steel roofing solutions and structural steel components. The group provides turnkey solutions for engineering and infrastructure projects. The company deals in pre-engineered buildings, structure steels, steel roofing and components thereof.
Pennar Industries Limited	1975	Pennar Industries Ltd has experience of over 48 years in offering multiple products/ services, including PEBs and structural steel buildings across sectors such as commercial and high rises, industrial and distribution facilities, health and education buildings, and stadium and leisure centres, etc.
Zamil Steel Buildings India Private Limited	2003	Zamil Steel Buildings India Private Limited was incorporated in 2003. The company is engaged in the business of designing, manufacturing, supply of Steel Structural materials, PEBs and parts thereof. Its corporate office is located in Pune. Overall, Zamil Steel has over 45 years of experience in this segment (Zamil Steel Pre-Engineered Buildings Co. Ltd. was established in 1977 in Dammam, Saudi Arabia.)

1 Details about sector presence of the companies are taken from respective company websites and are not exhaustive.
** Data from international website*
Note: This list is indicative and non-exhaustive.
Source: Company websites, annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

PEB related Manufacturing plants and capacity

Company name	Manufacturing plants*	Installed capacity (MT/ annum)*
Bansal Roofing Products Ltd	1[1]	24,000[1]
Everest Industries Ltd	2[2]	72,000[2]
HIL Ltd	N.A.[3]	N.A.[3]
Interarch Building Products Ltd	4[4]	141,000[4]
Kirby Building Systems & Structures India Pvt Ltd	3[5]	300,000[5]

Company name	Manufacturing plants*	Installed capacity (MT/ annum)*
M & B Engineering Ltd	2[6]	103,800[6]
Pennar Industries Ltd	1[7]	90,000[7]
Zamil Steel Buildings India Pvt Ltd	1[8]	100,000[8]

N.A.: Not available

The values in the above table are on as reported basis, in line with the notes below.

* *Related to PEB/structural steel*

1 *As per Bansal Roofing Product Limited annual report 2024, it has a manufacturing plant in Savli Taluka of Vadodara district. Additionally, the company has capacity to produce up to 1,500 MT per month of roll forming products and 500 MT per month of pre-engineered buildings (PEB). The above capacity is derived based on 2 shifts of 8 hours each. Monthly capacity is multiplied by 12 to arrive at annual capacity.*

2 *Everest has two manufacturing facilities related to PEB in Gujarat and Uttarakhand, and in total 8 manufacturing plants as per its website accessed on 14th September 2024. According to the rating rationale dated March 2024, Everest Industries Ltd's has an installed production capacity of 985,000 tonne per annum (TPA) for conventional building products (including AC roofing) and 72,000 TPA for PEBs.*

3 *As per HIL Ltds' fiscal 2024 annual report, company has 24 plants (at 12 manufacturing locations). As per the company's website accessed in September 2024, the company has 31 manufacturing facilities in India, and 2 manufacturing sites in Germany and Austria.*

4 *Interarch has a manufacturing capacity of 141,000 MT per annum as of 31st March 2024 across PEB steel structures, metal ceilings and corrugated roofing, light-gauge framing system and site roll-forming roofing.*

5 *Kirby Building Systems has seven manufacturing plants across the globe with a combined capacity of ~5,65,000 MT as per the company's website accessed on 14th September 2024.*

6 *The company has two manufacturing plants, in Sanand and Cheyyar, with a cumulative capacity of 103,800 MTPA related to PEB as of 31st August 2024*

7 *Pennar Industries has 13 manufacturing plants globally as per the fiscal 2024 investor's presentation. It has a manufacturing facility near Hyderabad with a production capacity of 90,000 MT per annum for steel buildings as per its website accessed on 14th September 2024.*

8 *Zamil Steel operates 12 manufacturing facilities around the world as per its website accessed on 14 September 2024. The figure in the table represents the capacity of the company's Pune manufacturing plant (pre-engineered buildings capacity of 80,000 MT and Structural Steel fabrication capacity of 20,000 MT per annum)*

Source: Company filings, annual reports available in the public domain/ filed with the RoC, company websites, CRISIL MI&A

6.2 Overview of key financial parameters

Vertical overview

Company	Vertical Information	Revenue contribution** FY24
Bansal Roofing Products Ltd*	1. Manufacture of Pre-Engineered Building and Roofing Products.	100%
Everest Industries Ltd	1. Building Products (includes manufacturing and trading of roofing products, boards and panels, other building products and accessories	73%
	2. Steel Buildings (consist of manufacture and erection of pre–engineered and smart steel buildings and its accessories)	27%
HIL Ltd1	1. Roofing solutions- Manufacturing and distributing Fibre Cement Sheets, Non-asbestos Cement Sheets, Block joining mortars	34%
	2. Building Solutions- Manufacturing and distributing Fly Ash Blocks, Boards, Aerocon Panels and Dry-mix	16%
	3. Polymer Solutions- Manufacturing and distributing Pipes & Fittings, Wall Putty and Construction Chemicals	16%
	4. Flooring Solutions- Manufacturing and distributing Laminate, Engineered and Resilient Flooring, Skirtings and Wall Panel products	34%
	5. Others- Wind Power, Material Handling and Processing Plant and Equipments	0%[2]
Interarch Building Products Ltd*	1. Manufacturing, supply, erection and installation of pre-engineered buildings, metal roofing & cladding system and metal false ceilings	100%
Kirby Building Systems & Structures India Pvt Ltd#	1. Manufacture and construction of Pre-Engineered Buildings/ Steel Structurals / Industrial Racking and components of iron and steel. It also provides designing, drafting, and engineering services for construction of Pre-Engineered Buildings/ Steel Structurals/ Industrial Racking and components of iron and steel.	100%

Company	Vertical Information	Revenue contribution** FY24
M & B Engineering Limited	1. Phenix division (product portfolio for the Phenix Division consists of pre-engineered buildings and structural steel. Offerings under PEBs includes main frames, secondary structural components, accessories, etc. Structural steel offerings including H-Type Beams, I-Type Beams, etc.	73%
	2. Proflex division (manufacture and install self-supported steel roofings)	27%
Pennar Industries Ltd	1. Diversified Engineering (railways-wagons, steel, solar module mounting solutions, industrial boilers & heaters, chemicals & fuel additives, solar panels, precission tubes, BIW, hydraulics and auto components.)	52%
	2. Custom designed building solutions & auxiliaries (Pre-engineered Buildings, construction equipments and Engineering Services)3	48%
Zamil Steel Buildings India Pvt Ltd*$$	1. The Company's activities involve predominantly one business segment i.e. manufacturing of steel structural materials and parts thereof which are considered as single business segment.	100%

Note:

* *These financials are standalone as these companies do not have subsidiaries*

$$ As of fiscal 2023

*** Revenue contribution is considered as disclosed in the respective company's annual report and have not been reclassified by CRISIL*

 # Financials for Kirby Building Systems & Structures India are on a calendar year basis (e.g., in the above table, Financial Year 2023 is calendar year 2022, etc)

1 Following formula has been used for calculating revenue contribution: (Revenue from contracts with customers+ Other operating revenues) of the required segment/ Total revenue from operations

2 Revenue contribution of Others- Wind Power, Material Handling and Processing Plant and Equipments for HIL stood at ~0.1% in fiscal 2024

3 Pennar industries' custom designed building solutions & auxiliaries vertical includes revenue from pre-engineered buildings, construction equipments and engineering services

Source: Company annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

Revenue from operations (fiscal 2022-2024)

Company Name (Rs million)	FY22	FY23	FY24	CAGR (FY22-24)
Bansal Roofing Products Ltd*	725.9	932.5	1,055.8	20.6%
Everest Industries Ltd^	13,647.1	16,476.3	15,754.5	7.4%
HIL Limited^	35,202.4	34,789.6	33,749.7	-2.1%
Interarch Building Products Ltd*	8,349.4	11,239.3	12,933.0	24.5%
Kirby Building Systems & Structures India Pvt Ltd#	17,248.1	23,123.8	23,957.0	17.9%
M & B Engineering Ltd^	6,882.3	8,804.7	7,950.6	7.5%
Pennar Industries Ltd^	22,657.5	28,946.2	31,305.7	17.5%
Zamil Steel Buildings India Pvt Ltd*	5,307.3	6,227.9	N.A.	N.A.

Note:

N.A.- Not Available

* *on standalone basis*

 # Financials for Kirby Building Systems & Structures India Pvt Ltd are on a calendar year basis (e.g., in the above table, Financial Year 2024 is calendar year 2023, etc)

^ Financial numbers of these companies include verticals other than PEB related and are reported at company level, which may not be completely and directly comparable with the financial numbers of other PEB-focused players

Source: Company annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

Operating Profit Before Depn. Interest and Taxes |OPBDIT| (fiscal 2022-2024)

Company Name (Rs million)	FY22	FY23	FY24	CAGR (FY22-24)
Bansal Roofing Products Ltd*	57.4	69.1	64.5	6.0%
Everest Industries Ltd^	689.5	675.2	409.6	-22.9%
HIL Limited^	3,914.0	2,229.2	1,244.5	-43.6%
Interarch Building Products Ltd*	328.9	1,063.8	1,130.2	85.4%
Kirby Building Systems & Structures India Pvt Ltd#	1,727.2	2,086.5	2,594.2	22.6%
M & B Engineering Ltd^	418.3	664.3	796.2	38.0%
Pennar Industries Ltd^$	1,713.6	2,211.9	2,729.7	26.2%
Zamil Steel Buildings India Pvt Ltd*@	(96.6)	80.4	N.A.	N.A.

Note:

N.A.- Not Available

* *on standalone basis*

OPBDIT= Profit/ (loss) for the year – (Exceptional items, Share of profit/(loss) of equity accounted investees (net of tax), and Other income) + (Finance costs, Depreciation and amortisation, and Total income tax expenses)

\# *Financials for Kirby Building Systems & Structures India Pvt Ltd are on a calendar year basis (e.g., in the above table, Financial Year 2024 is calendar year 2023, etc)*

^ *Financial numbers of these companies include verticals other than PEB related and are reported at company level, which may not be completely and directly comparable with the financial numbers of other PEB-focused players*

Source: Company annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

Profit after tax |PAT| (fiscal 2022-2024)

Company Name (Rs million)	FY22	FY23	FY24	CAGR (FY22-24)
Bansal Roofing Products Ltd*	39.4	41.7	35.5	-5.1%
Everest Industries Ltd^	440.9	423.6	180.0	-36.1%
HIL Limited^	2,104.4	971.0	347.9	-59.3%
Interarch Building Products Ltd*	171.3	814.6	862.6	124.4%
Kirby Building Systems & Structures India Pvt Ltd#	1,069.1	1,334.9	1,649.9	24.2%
M & B Engineering Ltd^	163.1	328.9	456.3	67.3%
Pennar Industries Ltd^$	419.1	754.3	983.5	53.2%
Zamil Steel Buildings India Pvt Ltd*@	(204.4)	(66.2)	N.A.	N.A.

Note:

N.A.- Not Available

* *on standalone basis*

\# *Financials for Kirby Building Systems & Structures India Pvt Ltd are on a calendar year basis (e.g., in the above table, Financial Year 2024 is calendar year 2023, etc)*

^ *Financial numbers of these companies include verticals other than PEB related and are reported at company level, which may not be completely and directly comparable with the financial numbers of other PEB-focused players*

Source: Company annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

Key ratios (fiscal 2024)

Company name	OPBDIT%	PAT%	RoCE%$	RoE%$	RoCE% (inc. total net worth)	RoE% (inc. total net worth)	Net Fixed Assets Turnover Ratio
Bansal Roofing Products Ltd*	6.1%	3.4%	16.8%	13.7%	16.8%	12.8%	3.6
Everest Industries Ltd^	2.6%	1.1%	4.0%	3.1%	4.1%	3.0%	3.3
HIL Limited^	3.7%	1.0%	2.2%	3.5%	1.9%	2.8%	2.3
Interarch Building Products Ltd*	8.7%	6.6%	26.9%	20.4%	26.0%	19.4%	7.4
Kirby Building Systems & Structures India Pvt Ltd#	10.8%	6.8%	70.2%	46.5%	54.0%	37.8%	11.0
M & B Engineering Ltd^	10.0%	5.6%	21.8%	22.4%	19.2%	19.7%	5.5
Pennar Industries Ltd^$	8.7%	3.1%	16.5%	12.0%	15.3%	11.2%	3.4
Zamil Steel Buildings India Pvt Ltd*@	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Note:

N.A.- Not Available

* *on standalone basis*

@ *Zamil Steel Buildings India Pvt Ltd fiscal 2024 annual report not available. The ratios of the company for fiscal 2023 are as follows-*

As of fiscal 2023	*OPBDIT%*	*PAT%*	*RoCE%$*	*RoE%$*	*RoCE% (inc. total net worth)*	*RoE% (inc. total net worth)*	*Net Fixed Assets Turnover Ratio*
*Zamil Steel Buildings India Pvt Ltd**	*1.3%*	*-1.1%*	*1.2%*	*-6.5%*	*1.5%*	*-6.6%*	*8.9*

$ *As per CRISIL standard formulae*

\# *Financials for Kirby Building Systems & Structures India Pvt Ltd are on a calendar year basis (e.g., in the above table, Financial Year 2024 is calendar year 2023, etc)*

^ *Financial numbers of these companies include verticals other than PEB related and are reported at company level, which may not be completely and directly comparable with the financial numbers of other PEB-focused players*

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / revenue from operations

PAT % = PAT / total income

RoCE (As per CRISIL standards) = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

Net Fixed Assets Turnover Ratio = Revenue from operations for the year/ Net Property, plant and equipment, Capital work-in-progress, Goodwill, Intangible assets, Intangible assets under development and Right-to-use assets

RoE (As per CRISIL standards) = PAT / tangible net worth

Return on Equity (including total net worth) = Profit/ (loss) for the year (Excluding share of minority in profits)/ Total equity (Excluding non-controlling interest)
Return on Capital Employed (including total net worth) = EBIT/ Capital employed. Capital employed is calculated as the sum of Total equity (including non-controlling interest), non-current borrowings and Current borrowings while EBIT is calculated as EBITDA add Share of profit/(loss) of equity accounted investees (net of tax) less Depreciation and amortization
Source: Company annual reports available in the public domain/ filed with the RoC, CRISIL MI&A

- M&B Engineering Ltd is one of India's leading Pre-Engineered Buildings (PEB) and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on 31st August 2024.

- As of fiscal 2024, M&B Engineering Ltd is the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75%.

- M&B Engineering Ltds' Sanand Facility is the only PEB manufacturing facility in India with a certification from the American Institute of Steel Construction (AISC), as per AISC website.

- Amongst the considered peers, M&B Engineering registered one of the highest OPBDIT and PAT CAGRs between fiscals 2022 and 2024 of 38.0% and 67.3% respectively.

- In Fiscal 2024, M&B Engineering achieved one of the highest Return on Equity at 19.7% among the companies considered. Additionally, among the considered listed players, M&B Engineering is the best performer in terms of return on equity in fiscal 2024.

- M&B Engineering had the third highest Net Fixed Assets Turnover ratio of 5.5x in fiscal 2024 amongst its considered players.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. Prospective investors should read "Forward-Looking Statements" beginning on page 18 for a discussion of the risks and uncertainties related to those statements along with "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29, 280 and 347, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, included herein is based on or derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" beginning on page 280. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Statements is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 65.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to M&B Engineering Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries" dated September, 2024 (the "**CRISIL Report**", and the date of the CRISIL Report, the "**Report Date**") which is exclusively prepared for the purpose of the Offer and issued by CRISIL MI&A ("**CRISIL**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CRISIL was appointed pursuant to an engagement letter entered into with our Company dated April 3, 2024. CRISIL is not related in any other manner to our Company. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CRISIL Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CRISIL Report will be available on the website of our Company at www.mbel.in from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CRISIL Report. The views expressed in the CRISIL Report are that of CRISIL. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 15.*

Overview

We are one of the India's leading Pre-Engineered Buildings ("**PEBs**") and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on August 31, 2024. (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*). As per the CRISIL Report, amongst the considered peers, we registered one of the highest OPBDIT and PAT CAGRs between Fiscals 2022 and 2024 of 38.0% and 67.3% respectively. Our business is structured into (a) Phenix division which provides comprehensive solutions for PEBs and complex structural steel components; and (b) Proflex division which provides self-supported steel roofing solutions. We offer our customers comprehensive turn-key solutions which includes project design, engineering, manufacturing and erection in accordance with customer requirements across industrial and infrastructure segments. We have delivered solutions for our customers engaged in diverse sectors including general engineering and manufacturing, food and beverages, warehousing and logistics, power, textiles, and railways. We have undertaken execution of over 8,700 projects until the end of June 2024 under our Phenix and Proflex Divisions.

The Indian PEB industry is expected to grow at a CAGR of 11.5-12.5% over Fiscal 2024 to Fiscal 2028 (*Source: CRISIL Report*). Further, the global PEB industry is expected to grow at a CAGR of 10.5-11.5% over Fiscal 2024 to Fiscal 2028 \ (*Source: CRISIL Report*) The self-supported roofing market in India is estimated to moderately grow 5-6% between fiscals 2024 and 2028 to reach INR 3.5-3.6 billion (*Source: CRISIL Report*). As per the CRISIL Report, brand, design capabilities, prior experience, pricing, manufacturing capability, project management expertise and pan-India presence are key selection criteria for PEB suppliers. We believe that our extensive track record, domain experience, established brand presence and market position, paired with our in-house design and engineering, manufacturing, supply, and on-site project management capabilities for the installation and erection of PEBs and self-supported steel roofings supplied by us, positions us to benefit from this growth.

Our Phenix Division (i) provides comprehensive solutions for PEBs which includes estimation, designing, engineering and manufacturing of PEBs and their components within the controlled environment of our Manufacturing Facilities, which are then supplied, installed and erected under our team's supervision at our customers' manufacturing sites; and (ii) manufactures complex structural steel components for our customers across a variety of end-user industries for projects including the construction of bridges, flyovers, power plant structures and other industrial applications. We have a dedicated design and engineering in-house team of 95 employees as on August 31, 2024 who create 3D models of PEBs and structural steel using software including STAAD PRO, STAAD PRO ADVANCED, MBS, TEKLA/ TRIMBLE, ZWCAD and BricsCAD. For business process efficiency, our operations are run on SAP-H4 Hana. The integrated Manufacturing Facilities of our Phenix Division have an annual installed capacity of 103,800 MT as on August 31, 2024 which enable us to provide comprehensive solutions to our customers. Over 15 years of operating our Phenix Division, we have been involved in the execution of over 1,500 projects involving the supply of around 570,000 MT of PEBs and structural steel across a diverse set of customers across end-user industries in more than 20 countries.

Through the Proflex Division, we manufacture and install self-supported steel roofings for projects across India. During the 23 year operational history of our Proflex Division we have installed over 17 million square metres of roofing by being involved in the execution of more than 7,200 projects across India and catering to our customers operating in diverse set of end-user industries.

Set out below is a breakdown of our consolidated revenue from operations from our Phenix Division and Proflex Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Divisions	**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue contribution (in ₹ million)	**As a percentage of our consolidated revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of our consolidated revenue from operations (%)**	**Revenue contribution (in ₹ million)**	**As a percentage of our consolidated revenue from operations (%)**
Phenix Division	5,802.28	72.98%	6,287.92	71.42%	4,905.35	71.28%
Proflex Division	2,145.00	26.98%	2,424.35	27.53%	1,872.36	27.20%
Others*	3.32	0.04%	92.43	1.05%	104.54	1.52%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

* *Others includes revenue contribution from Modtech Machines Private Limited*

Over the years of our operations we have undertaken execution of over 8,700 projects for more than 1,700 customer groups from across diverse industries including from general engineering and manufacturing, food and beverages, warehousing and logistics, power, textiles and railways. Some of our notable customers include Adani Green Energy Limited, Adani Ports and Special Economic Zone Limited, Adani Logistics Limited, AIA Engineering Limited, Alembic Pharmaceuticals Limited, Tata Advanced Systems Limited, Balaji Wafers Private Limited, Elecon Engineering Co Limited, Gujarat Tea Processors and Packers Limited, Intas Pharmaceuticals Limited, Lubi Industries LLP, PSP Projects Limited, Everest Food Products Private Limited, Arvind Limited, Inductotherm (India) Private Limited, Haldiram Foods International Private Limited, SMC Power Generation Limited, Oriental Rubber Industries Limited, Shree Ram Industries, Satyam Plastfab Private Limited and Laxmi Hydraulics Private Limited. We have had a relationship with of more than 15 years with some of our customers. Based on our execution track record we have developed strong relationships with our customers which is reflected in repeat orders from our customer. Our revenues from repeat orders from customers for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as set out below:

Particulars	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenues from repeat customers*	5,824.51	5,776.98	3,947.81
Revenues from repeat customers as % of our consolidated revenues from operations	73.26%	65.61%	57.36%

* *Revenues from repeat customers is revenues from customers where our Company would have recognized revenues from such customer in more than one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.*

Some of our marquee projects include (a) over 62,000 square metres PEB installation for the automobile manufacturing plant of a global automobile manufacturer located at Ahmedabad, Gujarat; (b) over 285,000 square metres PEB installation for a textile plant for a major textile company at Hoshangabad, Madhya Pradesh; (c) over 125,000 square metres PEB installation for a multinational home appliance manufacturer based out of Noida; (d) over 57,000 square metres PEB installation for a warehouse for a multinational e-commerce company at Ahmedabad, Gujarat; (e) approximately 90,000 square metres 'A' frame structure with a centre height of 42 metres and clean span of 84 metres specially designed for the sugar storage requirements of a major Indian sugar company in Kandla, Gujarat; (f) approximately 3,000 square metres PEB installation with a retractable (openable) roof structure for a Kolkata based shipyard; (g) over 5,500 square metres PEB installation for an indoor multi-use facility at Texas, US; (h) over 18,000 square metres PEB installation for a temple at New Jersey, US; (i) over 300 projects in the railway sector with cumulative installation of 0.6 million square metres wherein the self-supporting roofing solution covered railway infrastructure elements such as platforms, workshops, coach factories, service and repair sheds, warehouses and stock sheds, including the self-supported roofing solution installed at the Hubli Railway station platform which extends for 1.4 kilometres, and custom designed roofing solutions for the Vande Bharat Depots; (j) self-supported roofing structure for a major Indian milk co-operative society at Anand, Gujarat; (k) self-supported roofing structure for a major Indian sugar company at Rajpura, Uttar Pradesh.

We have two manufacturing facilities at Sanand, Gujarat and Cheyyar, Tamil Nadu for the manufacturing of PEBs and complex structural steel components with a combined installed capacity of 103,800 MTPA as of August 31, 2024 for manufacturing PEBs. While our Sanand facility started operations in 2008, our Cheyyar Facility became operational in 2024. Our Proflex Division operates a fleet of 14 mobile manufacturing units which we use to manufacture self-supported steel roofing. These mobile manufacturing units allow us to cater to our customers in a wide geographic expanse. Each of our mobile manufacturing unit is equipped with a panel manufacturing machine, a telescopic crane and other ancillary equipment. As of August 31, 2024, the installed capacity in our Proflex Division for manufacturing self-supported roofings was 18,00,000 square metres per annum.

Our manufacturing infrastructure is complemented by our stringent quality and safety standards and processes which are evidenced by our ISO certification. Our Sanand Facility is also recognized by the Research Design and Standards Organization of the Indian Railways, , Factory Mutual Global ("**FM Global**") and the National Accreditation Board for Testing and Calibration Laboratories ("**NABL**"). We have also received an approval letter from the Chief Engineer (Navy) for registration in relation to design, manufacture and erection of PEB structures. Our Sanand Facility is the only PEB manufacturing facility in India with a certification from the American Institute of Steel Construction ("**AISC**"), as per AISC website (*Source: CRISIL Report)*.As of August 31, 2024, our dedicated in-house project management team constituting of 135 employees is critical to enable us to provide our erection and installation services at the customers' site.

Our domestic presence is anchored by our marketing head office in Ahmedabad with is complemented by a strategic network of regional offices or representatives stationed in key cities across India including Mumbai, Chandigarh, Jaipur, Lucknow, Rajkot, Surat, Nagpur, Pune, Hyderabad, Delhi, Chennai and Bengaluru. The map below sets out the presence of our offices and representative presence of our Phenix Division and Proflex Division in India:

Note : Map for representation purposes only and not drawn to scale

Our Company has a management team with extensive industry experience in each of its Phenix and Proflex Divisions. We have dedicated teams for each division of Phenix and Proflex, led by experienced professionals in key areas such as plant operations, quality control, sales and marketing, procurement and finance, which enables us to be well-equipped to respond to evolving industry demands and opportunities. We benefit from the industry experience, vision and guidance of our Individual Promoters, who have significant experience in the PEB and self-supported roofing industry. We believe that the combination of our experienced Board of Directors, our dynamic key managerial personnel and senior management personnel and our skilled employees positions us well to capitalize on future growth opportunities.

Key Financial Information

We have established a track record of delivering strong financial performance. The table below sets out details of our key financial and operational metrics for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Metric	**As at and or for the Fiscal Year ended March 31,**		
	2024	**2023**	**2022**
Revenue from Operations (₹ million)	7,950.60	8,804.70	6,882.25
EBITDA (₹ million)	796.22	664.30	418.34
EBITDA Margin (%)	10.01%	7.54%	6.08%
Restated Profit/ (Loss) for the Year (₹ million)	456.34	328.92	163.13
PAT Margin (%)	5.65%	3.70%	2.33%
Return on Equity (%)	19.68%	18.89%	13.83%
Return on Capital Employed (%)	19.17%	19.70%	17.13%
Net Debt (₹ million)	1,056.10	231.40	71.28
Net Debt to EBITDA (times)	1.33	0.35	0.17
Net Debt to Equity (times)	0.45	0.13	0.05
Net Fixed Assets Turnover Ratio (times)	5.54	10.91	9.47
Net Working Capital Days (No of days)	111	66	65

Notes:

(1) The above financial information has been extracted or derived from the Restated Consolidated Summary Statements.

(2) EBITDA is calculated as Restated Profit/ (Loss) for the year less Other income add Finance costs, Depreciation and amortisation, and Total income tax expenses

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

(4) PAT Margin is calculated as Restated Profit/ (Loss) for the year divided by Total income

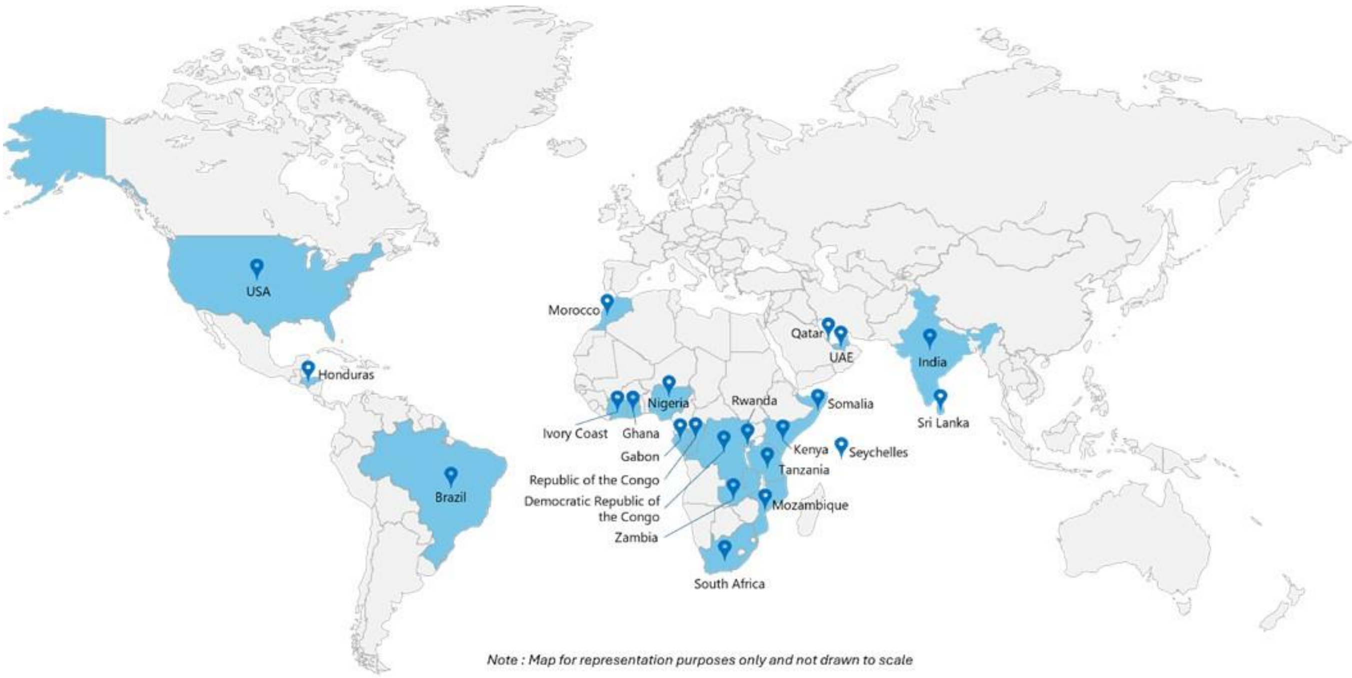
(5) Return on Equity is calculated as Restated Profit/ (Loss) for the year (Excluding share of minority in profits) divided by Total equity (Excluding non-controlling interest)
(6) Return on Capital Employed is calculated as EBIT divided by Capital employed. Capital employed is calculated as the sum of Total equity (including non-controlling interest), Non-current borrowings and Current borrowings while EBIT is calculated as EBITDA add Other income less Depreciation and amortization
(7) Net Debt is calculated as the sum of Non-current borrowings and Current borrowings less cash and cash equivalents and other bank balances
(8) Net Debt to EBITDA is calculated as Net Debt divided by EBITDA
(9) Net Debt to Equity is calculated as Net Debt divided by Total Equity (including non-controlling interest)
(10) Net Fixed Assets Turnover Ratio is calculated as Revenue from operations for the year divided by Net Property, plant and equipment, Capital work-in-progress, Intangible assets, and Right-to-use assets
(11) Net Working Capital Days is calculated as Net Working Capital divided by Revenue from operations multiplied by 365. Net Working Capital is calculated as Inventories add Trade Receivables less Trade Payables (micro and small enterprises and other than micro and small enterprises)

Strengths

One of the leading players in the domestic PEB industry with strong presence in international markets and market leader in the domestic self-supported roofing industry

We are one of the India's leading PEBs and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum. for Self-Supported Roofing) as on August 31, 2024. As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*). Further, as per the CRISIL Report, amongst the considered peers, we registered one of the highest OPBDIT and PAT CAGRs between Fiscals 2022 and 2024 of 38.0% and 67.3% respectively. We believe that we have been able to achieve such leadership position by leveraging on our comprehensive suite of services and integrated manufacturing facilities, ability to deliver solutions, strong focus on customer service and our well-established track record of over 8,700 projects undertaken for execution. We believe that our leadership position offers us competitive advantages such as reduced costs due to economies of scale and better pricing power.

Our business footprint spans across geographies. We export PEBs as well as complex structural steel components to over 20 countries, including the United States of America. Since Fiscal 2010, we have served customers in more than 20 countries, including customers in US, Brazil, South Africa, Qatar, Sri Lanka, Morocco, Nigeria, Kenya and Seychelles. In Fiscal 2024, Fiscal 2023 and Fiscal 2022 our revenue from operations for sales outside India was ₹191.99 million, ₹602.57 million and ₹761.20 million, which represented 2.41%, 6.84% and 11.06% of our consolidated revenue from operations, respectively. Set out below is a map with highlights indicating the countries where we have undertaken sales to customers since Fiscal 2010:



We are pursuing opportunities in the global markets by having established a wholly owned subsidiary in the US which operates a marketing and sales office in Texas. This strategic move is aimed at leveraging the business potential of the North and South American markets through a dedicated front marketing company. As per the CRISIL Report, the global PEB market is expected to reach USD 32-34 billion, at a CAGR of 10.5%-11.5% between 2024 and 2028.

We provide a wide range of specialised products and services, making us a comprehensive solution provider for our customers

As an integrated manufacturing partner providing 'design-led-manufacturing' solutions to our customers, we provide designs, engineering solutions, manufacturing and testing to ensure that our structures meet robust standards in reliability, safety and performance. At the core of our operations, we specialize in innovative design, manufacturing and installation of pre-engineered metal buildings, complex structural steel components and self-supported steel roofing. Combining the strengths of our Phenix and Proflex divisions, we have the flexibility to cater to requirements of diverse set of our customers, ranging from small scale projects to large scale projects.

We offer solutions to our customers which can range from simple PEB structures as may be required for a warehousing application to complicated constructions as demonstrated by the PEB installation with a retractable (openable) roof structure which we delivered for a Kolkata based shipyard. We believe that our experience of handling over 8,700 projects spanning terrains, geographical regions, end-use applications, customer specification for span length and materials, delivery timelines and size have enabled us to demonstrate to our customers as well as potential customers our credentials.

Set out below is a breakdown of revenue from operations from our Phenix Division and Proflex Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Divisions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)
Phenix Division	5,802.28	72.98%	6,287.92	71.42%	4,905.35	71.28%
Proflex Division	2,145.00	26.98%	2,424.35	27.53%	1,872.36	27.20%
Others*	3.32	0.04%	92.43	1.05%	104.54	1.52%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

* *Others includes revenue contribution from Modtech Machines Private Limited*

Some of our marquee projects include (a) over 62,000 square metres PEB installation for the automobile manufacturing plant of a global automobile manufacturer located at Ahmedabad, Gujarat; (b) over 285,000 square metres PEB installation for a textile plant for a major textile company at Hoshangabad, Madhya Pradesh; (c) over 125,000 square metres PEB installation for a multinational home appliance manufacturer based out of Noida; (d) over 57,000 square metres PEB installation for a warehouse for a multinational e-commerce company at Ahmedabad, Gujarat; (e) approximately 90,000 square metres 'A' frame structure with a centre height of 42 metres and clean span of 84 metres specially designed for the sugar storage requirements of a major Indian sugar company in Kandla, Gujarat; (f) approximately 3,000 square metres PEB installation with a retractable (openable) roof structure for a Kolkata based shipyard; (g) over 5,500 square metres PEB installation for an indoor multi-use facility at Texas, US; (h) over 18,000 square metres PEB installation for a temple at New Jersey, US; (i) over 300 projects in the railway sector with cumulative installation of 0.6 million square metres wherein the self-supporting roofing solution covered railway infrastructure elements such as platforms, workshops, coach factories, service and repair sheds, warehouses and stock sheds, including the self-supported roofing solution installed at the Hubli Railway station platform which extends for 1.4 kilometres, and custom designed roofing solutions for the Vande Bharat Depots; (j) self-supported roofing structure for a major Indian milk co-operative society at Anand, Gujarat; (k) self-supported roofing structure for a major Indian sugar company at Rajpura, Uttar Pradesh.

Our Phenix Division has integrated manufacturing operations through which we provide comprehensive solutions to the customers which includes estimation, designing, engineering and manufacturing of PEBs within the controlled environment of our Manufacturing Facilities, which are then supplied, installed and erected under supervision through on-site project management. Our comprehensive solutions ensure reliability, efficiency and cost-effectiveness for the customers and allows us to control quality, reduce lead time and optimize cost.

As part of our operations in connection with the manufacturing of PEBs, we manufacture primary structural members (including main frame columns, end-wall posts, rafters and other main support members), secondary structural members (including purlins and girts, eave strut, cable, angle, pipe, rod bracing and wide bay truss purlins), claddings, and procure accessories (including fasteners, sliding doors, walk-way doors, insulation, glazing windows, roof curb, fixed ventilators, turbo, vents, roll-up doors and ridge vent). Our products are customized, designed and manufactured as per the requirement of our customers. As per the CRISIL Report, PEBs have advantages over traditional constructions including (i) better quality control (ii) being more sustainable and (iii) having faster construction timelines.

Our Phenix Division also manufactures complex structural steel components using HR plates, universal beam/ universal channel, Indian sections, circular hollow sections, rectangular hollow sections, parallel flange channels, wide flange beams, W section, equal/ unequal angles, ISMB beams, ISMC channel. We manufacture these structural steel components using various steel grades including A36, S355, IS 2062-E250, E350, E410 and E450. The structural steel components manufactured by us have applications in a wide range of end user industries such as industries including airports, bridges and flyovers, heavy industries, multi-storeyed buildings, oil and gas, petrochemicals and power projects.

Through our Proflex Division, we provide comprehensive self-supported steel roofing solutions wherein we first determine the optimal thickness of steel required for each project using proprietary software to run building parameters. This analysis forms the basis for pricing and for preparing our proposals. Upon receiving the project, we supply technical data to the client for preparing the civil structure. Upon completion of the structure, our mobile manufacturing equipment is transported to the customers' site where the production of roofing panels commences. Upon manufacturing of the panels, the panels are mechanically seamed and installed on the civil structure with the use of cranes. The roofing solutions are designed, manufactured and installed as per the specifications and requirements of our customers. We also provide value added products and services to our customers including side wall, gable wall cladding, ventilators, skylights and HVLS fans.

Long-standing relationships with customers across a diverse set of industries with a strong order book

Over the period of our operations, we have undertaken execution of over 8,700 projects and have established long-term relationships with our diverse set of customers across industries we cater to. We believe that our ability to address the varying and stringent customer requirements over long periods enables us to obtain additional business from existing clients as well as new clients. Through both our Phenix Division and Proflex Division, we provide our products and services to a diverse range of customers operating across varied industries. Some of our notable customers include Adani Green Energy Limited, Adani Ports and Special Economic Zone Limited, Adani Logistics Limited, AIA Engineering Limited, Alembic Pharmaceuticals Limited, Tata Advanced Systems Limited, Balaji Wafers Private Limited, Elecon Engineering Co Limited, Gujarat Tea Processors and Packers Limited, Intas Pharmaceuticals Limited, Lubi Industries LLP, PSP Projects Limited, Everest Food Products Private Limited, Arvind Limited, Inductotherm (India) Private Limited, Haldiram Foods International Private Limited, SMC Power Generation Limited, Oriental Rubber Industries Limited, Shree Ram Industries, Satyam Plastfab Private Limited and Laxmi Hydraulics Private Limited. Our revenues split across industries of our end-customers for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as under:

Industry	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)
General Engineering & Manufacturing	1,629.00	20.49%	498.06	5.66%	661.41	9.61%
Food and Beverages	1,530.88	19.25%	415.32	4.72%	232.59	3.38%
Warehousing and Logistics	1,288.54	16.21%	2,385.77	27.10%	1,466.95	21.31%
Auto and Auto Ancillaries	1,000.06	12.58%	759.03	8.62%	301.95	4.39%
Power	316.13	3.98%	1,681.19	19.09%	440.84	6.41%
Railways	232.16	2.92%	188.36	2.14%	163.04	2.37%
Building Materials	214.96	2.70%	181.93	2.07%	104.44	1.52%
Plastic	186.40	2.34%	33.88	0.38%	75.21	1.09%
Sports & Event Venues	176.68	2.22%	132.71	1.51%	69.94	1.02%
Metals & Mining	174.40	2.19%	197.86	2.25%	116.08	1.69%
Infrastructure	116.32	1.46%	189.33	2.15%	330.93	4.81%
Pharmaceuticals	105.74	1.33%	52.89	0.60%	423.56	6.15%
Scrap Vendors	82.87	1.04%	100.84	1.15%	87.28	1.27%
Construction and Real Estate	73.64	0.93%	363.17	4.12%	197.97	2.88%
Agriculture	69.74	0.88%	304.85	3.46%	254.02	3.69%
EPC & Consultants	66.17	0.83%	393.73	4.47%	226.29	3.29%
Chemicals	65.73	0.83%	76.07	0.86%	36.03	0.52%
Textiles	63.90	0.80%	28.84	0.33%	208.83	3.03%
Packaging	54.78	0.69%	113.86	1.29%	330.70	4.81%
Educational Institutions	43.15	0.54%	205.33	2.33%	38.31	0.56%

Industry	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)
Others	459.34	5.78%	501.66	5.70%	1,115.87	16.21%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

* *Note: Industry classification is based on information available with us and our understanding of the principal business of our customers. 'Others' includes end-user industries which are not classified into any of the industries mentioned above such as edible oil manufacturers, charitable institutions and animal welfare organizations.*

As of August 31, 2024, we had an order book of ₹8,330.47 million, which constituted 104.78% of our consolidated revenue from operations for Fiscal 2024. Set out below is the split of our order book from our Phenix and Proflex Division, along with a percentage of the order book details against our revenue from operations in Fiscal 2024:

Division	Order book contribution (in ₹ million) as of August 31, 2024	As a percentage of our consolidated revenue from operations in Fiscal 2024 (%)
Phenix Division	6,765.10	85.09%
Proflex Division	1,565.37	19.69%
Total	**8,330.47**	**104.78%**

We believe our customer relationships are primarily led by our ability to develop processes, meet stringent quality and technical specifications and complete the designing, manufacturing, erection and installation for our customers in a timely and cost-effective manner. As a result, we have a history of high customer retention and have been providing services for certain customers for a number of years. We believe that such long-term association with our customers offers us significant competitive advantages such as revenue visibility, industry goodwill, a deep understanding of the requirements of our customers and is a testament to the quality of our products and services. Our revenues from repeat orders from customers for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as set out below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenues from repeat customers* (in ₹ million)	5,824.51	5,776.98	3,947.81
Revenues from repeat customers as % of our consolidated revenues from operations	73.26%	65.61%	57.36%

* *Revenues from repeat customers is revenues from customers where our Company would have recognized revenues from such customer in more than one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.*

We believe that our enduring customer relationships serve as a clear testament to our commitment to quality, as well as our advanced design, engineering and manufacturing capabilities. We believe that as a result of our long-standing relationships with our customers, we are well equipped to retain our presence in the market and build upon these relationships to increase our product base and reach out to new customers. These enduring customer relationships have helped us expand our product and service offerings and geographic reach. Our long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

Strategically located manufacturing facilities for PEBs with comprehensive in-house design and engineering capabilities and 14 mobile manufacturing units for self-supported roofing systems

We are one of the India's leading Pre Engineered Buildings and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on August 31, 2024. (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*).

The cost of transportation of PEB components constitutes a significant part of the overall pricing of the project. We have two manufacturing facilities at Sanand, Gujarat and Cheyyar, Tamil Nadu for the manufacturing of PEBs and complex structural steel components. Our Sanand Facility is strategically located to cater to the customers in Western India, Northern India and Central India, as well as by close connectivity to ports in the state of Gujarat while our Cheyyar Facility is well placed to cater to the requirements of potential customers in South India. Across a combined land area of around 225,524 square metres, our Sanand and Cheyyar Facilities together have utilised area of around 65,815 square metres with unutilised built-up area of around 1,59,709 square metres.

The table below sets forth the installed production capacity and the capacity utilization of our Sanand Facility and our Cheyyar Facility for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Sanand Facility

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization
Pre-Engineered Buildings	MTPA	72,000.00	41,845.30	58.12%	72,000.00	43,483.19	60.39%	72,000.00	38,555.04	53.55%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

Note: Installed capacity and annual production indicate the capacity for production of pre-engineered buildings which generally determines the overall capacity of the manufacturing facility. This does not include the individual capacity for manufacturing specific primary and secondary structural components for pre-engineered buildings, structural steel components such as beams, channels, hollow sections which are generally form part of the pre-engineered buildings.

* *It is assumed operations of 365 days a year and 3-shift operation of 8 hours a day for calculation of Installed Capacity of respective facilities of M&B Engineering Ltd*

Our Cheyyar Facility was commissioned in May 2024 with an existing capacity of 31,800 MTPA.

The Sanand and Cheyyar Facilities are equipped with equipment and systems which include high precision CNC machinery, plasma cutting torches, oxy acetylene cutting torches, beam welding machines, online shot blasting and painting systems, sheet profiling machine and integrated purlin forming and painting lines. We have made efforts to adopt uniform manufacturing standards with robust controls across all our facilities. Our manufacturing infrastructure is complemented by our stringent quality and safety standards and processes which are evidenced by our ISO certification. Our Sanand Facility is also recognized by the Research Design and Standards Organization of the Indian Railways, FM Global and NABL. We have also received an approval letter from the Chief Engineer (Navy) for registration in relation to design, manufacture and erection of PEB structures. Our Sanand Facility is the only PEB manufacturing facility in India with a certification from American Institute of Steel Construction (AISC), as per AISC website (*Source: CRISIL Report).* These accreditations demonstrate the standards of quality systems and procedures adopted at our Sanand Facility.

Our Proflex Division operates a fleet of 14 mobile manufacturing units which allows us to address our customers in a wide geographic expanse. Each of our mobile manufacturing unit is equipped with a panel manufacturing machine, a telescopic crane and other ancillary equipment. The installed capacity and capacity utilization for our mobile manufacturing units for Fiscals 2024, 2023 and 2022 respectively are set out below:

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization
Self-Supported Roofings	Square meters	16,50,000.00	12,31,610.00	74.64%	16,50,000.00	13,66,744.00	82.83%	12,00,000.00	10,66,225.00	88.85%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

As of August 31, 2024, our installed capacity for manufacturing of self-supported roofings was 18,00,000 square metres per annum.

Our PEB and structural steel manufacturing processes are supported by our in-house design and engineering offices at Hyderabad, Chennai and Ahmedabad which enable us to offer comprehensive design and detailing solutions to our customers, as well as to continually undertake incremental enhancements and improvements of our processes and designs. Our in-house design and engineering teams consist of 95 employees as of August 31, 2024. We have also invested in computer aided design software including STAAD PRO, STAAD PRO ADVANCED, MBS, TEKLA/ TRIMBLE, ZWCAD and BricsCAD. For business process efficiency, our operations are run on SAP-S4 Hana. These software enhance our capabilities to conceptualize and manufacture complex, custom-designed structures that meet specific client requirements with precision. As part of our contracts with customers, we also offer on-site project management of the installation and erection of the PEBs.

Our engineering expertise and technology driven processes have enabled us to deliver on projects in accordance with the designs, specifications and timelines of each project. Our focus on process innovation through continuous engineering as well as our deployment of modern technology has been instrumental in the growth of our business and improved our ability to customize products for our customers. Our focus on upgrading processes and technology has enabled us to manufacture products in an energy and cost-efficient manner.

We have a 990kW solar power facility at Sanand Facility and are in process of setting up a similar 975kW solar power facility at Cheyyar Facility, which should further de-risk our business vis-à-vis the cost of power.

Our fully integrated infrastructure and capacities enable us to cater to the diverse requirements of PEB solutions in the form of self-supporting steel roofing or PEBs which gives us the capability of servicing diversified market segments, with a diverse set of customers. This enhances our market reach and gives us inherent flexibility of servicing demand emanating from different market segments.

Experienced and dedicated promoters and professional management team with extensive domain knowledge

We are led by experienced Promoters in the PEB and structural steel industry and the self-supported steel roofing industry. Our Promoters are actively involved in the critical aspects of our business including business development, engineering, manufacturing operations, quality assurance, marketing and finance.

Our organizational structure is designed to support seamless scaling and adaptation to market changes. We have specialized teams for each division of Phenix and Proflex, led by experienced professionals in key areas such as plant operations, quality control, sales and marketing, procurement and finance, which enables us to be well-equipped to respond to evolving industry demands and opportunities. Our Promoters, together with our Key Managerial Personnel, Senior Management Personnel and dynamic Board, with their hands-on management approach ensure that strategic initiatives are effectively implemented across the organization. The depth and breadth of our management teams' expertise is pivotal in navigating the complexities of our business landscape and has enabled our Company to be recognised as a leading structural steel solutions provider and the market leader in the self-supported steel roofing industry in India. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships and respond to changes in customer preferences. For further information on our Promoter, Directors and management team, see "*Our Promoter and Promoter Group*" and "*Our Management*" on pages 266 and 246, respectively.

Sustained track record of strong financial performance

As per the CRISIL Report, amongst the considered peers, we registered one of the highest OPBDIT and PAT CAGRs between fiscals 2022 and 2024 of 38.0% and 67.3% respectively. In Fiscal 2024, we achieved one of the highest return on equity at 19.7% among the companies considered (*Source: CRISIL Report)*. Additionally, among the considered listed players, our company is the best performer in terms of return on equity in Fiscal 2024 (*Source: CRISIL Report)*. As per the CRISIL Report, we had the third highest Net Fixed Assets Turnover ratio of 5.5x in fiscal 2024 amongst its considered players.

The table below sets out some of the key financial indicators for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Metric	As at and or for the Fiscal Year ended March 31,		
	2024	2023	2022
Revenue from Operations (₹ million)	7,950.60	8,804.70	6,882.25
EBITDA (₹ million)	796.22	664.30	418.34
EBITDA Margin (%)	10.01%	7.54%	6.08%
Restated Profit/ (Loss) for the Year (₹ million)	456.34	328.92	163.13
PAT Margin (%)	5.65%	3.70%	2.33%
Return on Equity (%)	19.68%	18.89%	13.83%
Return on Capital Employed (%)	19.17%	19.70%	17.13%
Net Debt (₹ million)	1,056.10	231.40	71.28
Net Debt to EBITDA (times)	1.33	0.35	0.17
Net Debt to Equity (times)	0.45	0.13	0.05
Net Fixed Assets Turnover Ratio (times)	5.54	10.91	9.47
Net Working Capital Days (No of days)	111	66	65

1. *The above financial information has been extracted or derived from the Restated Consolidated Summary Statements.*
2. *EBITDA is calculated as Restated Profit/ (Loss) for the year less Other income add Finance costs, Depreciation and amortisation, and Total income tax expenses*
3. *EBITDA Margin is calculated as EBITDA divided by Revenue from operations*
4. *PAT Margin is calculated as Restated Profit/ (Loss) for the year divided by Total income*
5. *Return on Equity is calculated as Restated Profit/ (Loss) for the year (Excluding share of minority in profits) divided by Total equity (Excluding non-controlling interest)*
6. *Return on Capital Employed is calculated as EBIT divided by Capital employed. Capital employed is calculated as the sum of Total equity (including non-controlling interest), Non-current borrowings and Current borrowings while EBIT is calculated as EBITDA add Other income less Depreciation and amortization*
7. *Net Debt is calculated as the sum of Non-current borrowings and Current borrowings less cash and cash equivalents and other bank balances*
8. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA*
9. *Net Debt to Equity is calculated as Net Debt divided by Total Equity (including non-controlling interest)*
10. *Net Fixed Assets Turnover Ratio is calculated as Revenue from operations for the year divided by Net Property, plant and equipment, Capital work-in-progress, Intangible assets, and Right-to-use assets*
11. *Net Working Capital Days is calculated as Net Working Capital divided by Revenue from operations multiplied by 365. Net Working Capital is calculated as Inventories add Trade Receivables less Trade Payables (micro and small enterprises and other than micro and small enterprises)*

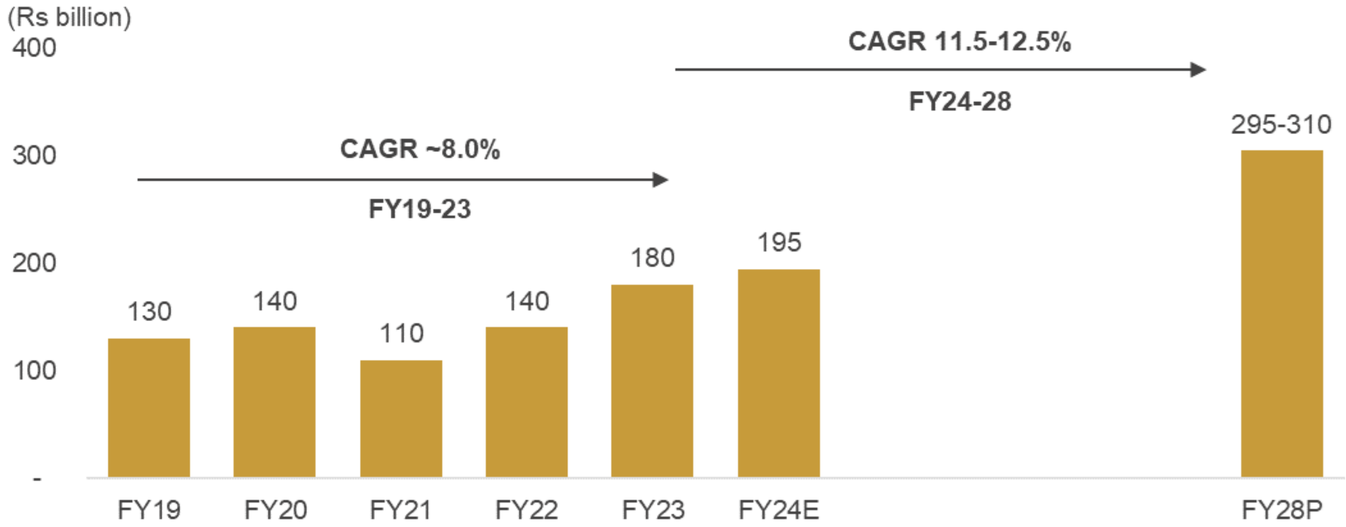
We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Our financial strength provides us a valuable competitive advantage over our competitors with access to financing, which are factors critical to our business. For further details on a comparative analysis of our financial position and revenue from operations, see the section titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 347.

Strategies

Leverage our leading position in the domestic PEB market to capitalize on the growth expected in the industry and continue to strengthen and consolidate our leadership position in the self-supported steel roofing market in India

As per the CRISIL Report, Indian PEB industry expanded at a CAGR of ~8.0% over Fiscals 2019-2023, growing from ₹ 130 billion in Fiscal 2019 to ₹ 180 billion in Fiscal 2023. Last Fiscal, the industry grew ~8% on-year and was valued at ₹ 195 billion. The medium-term outlook is optimistic, with the industry growing at a strong 11.5-12.5% CAGR between Fiscals 2024 and 2028 to ₹295-310 billion, supported by investments in the industrial and infrastructure sectors, such as warehouses and logistics as well as expressways (wayside amenities and toll plazas) (*Source: CRISIL Report*).

Pre-engineered buildings market in India



E: Estimated; P: Projected
Source: CRISIL MI&A

Further, exports of PEB increased to ₹85.8 billion in Fiscal 2024 from ₹35.8 billion in Fiscal 2019, implying a CAGR of ~19.1%. In Fiscal 2024, the organised industry held a 40-45% revenue share in the overall industry. The growth drivers for the PEB industry include low percentage share of pre-engineered construction in overall construction, indicating high growth potential, low penetration of PEB in the building sector, shift from RCC to PEB, increasing popularity of green and sustainable buildings, increased industrial capex and planned capacity expansion, increased focus on renewable energy capacity and increasing construction investments in Indian Railways, increased demand of data centres, and warehouses and cold storage expansion. (*Source: CRISIL Report*).

As per the CRISIL Report, the self-supported roofing market in India logged a CAGR of 11% between Fiscals 2019 and 2023 to reach ₹3.2 billion. This increase in demand can be attributed to growth in infrastructure and industrial segments, which are the major end use segment of self-supported roofing in India (*Source: CRISIL Report*). Increased investments in railways in India also contributed to the growth as self-supported roofing is finding applications at railways stations and sheds, owing to their durability (*Source: CRISIL Report*). As per the CRISIL Report, the self-supported roofing market in India is estimated to moderately grow 5-6% between Fiscals 2024 and 2028 to reach ₹3.5-3.6 billion, on the back of continued investments in infrastructure and industrial segments as well as increasing awareness of the benefits of self-supported roofing.

We are one of the India's leading Pre-Engineered Buildings (PEB) and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on August 31, 2024 (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*).Over the years of our operations we have undertaken execution of over 8,700 projects for more than 1,700 customer groups from across diverse industries including general engineering and manufacturing, food and beverages, warehousing and logistics, power, textiles and railways. We intend to leverage our market leadership position, customer relationships, expertise, infrastructure and skilled manpower to capitalize on these market opportunities. We intend to further build on our execution across diverse sectors to take advantage of the expected improvement in use of structural steel in buildings as well as infrastructure projects. We also intend to demonstrate our ability to offer comprehensive turn-key solutions to our clients including project design, engineering, manufacturing and erection in accordance with customer requirements across construction for industrial and infrastructure segments.

Augment our manufacturing facilities in our Phenix Division to better serve our customers by setting up a strategically located manufacturing facility

As pre-engineered structures are manufactured offsite, transportation of these structures to the construction site involves logistics expenses, which are a function of the distance and the complexity of the transportation process and can significantly impact the overall project cost. Furthermore, these components are susceptible to damage during transportation and handling and may require rework or replacement, which, in turn, could lead to additional costs and project delays. Hence, increased distance between the installation site and the manufacturing plant may impact price competitiveness. Additionally, presence of manufacturing plants at diverse strategic locations enables economic and efficient delivery of PEB components to the construction sites. *(Source: CRISIL Report)*

Before commissioning of our Cheyyar Facility in 2024, we had only one facility for our PEB business based out of Sanand, Gujarat which limited our ability to effectively service the markets in southern part of India. The same is reflected in our revenues from operations split across geographical regions for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as under:

Geographic Regions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Western India	5,981.78	75.24%	6,022.78	68.40%	4,308.68	62.61%
Northern India	848.12	10.67%	1,242.67	14.11%	1,258.12	18.28%
Southern India	707.33	8.90%	624.73	7.10%	378.41	5.50%
Eastern India	221.37	2.78%	311.94	3.54%	175.84	2.55%
Outside India	191.99	2.41%	602.57	6.84%	761.20	11.06%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

In addition to the commencement of operations at our Cheyyar Facility, our Company has also appointed representatives in select cities in southern India including in Bengaluru, Chennai, Coimbatore and Hyderabad. We intend to leverage our existing credentials, customer relationships, execution track-record, economies of scale, design and engineering prowess to make inroads into the southern Indian market.

We intend to expand our operations and set up manufacturing facilities in different regions in India where we are not currently located in order to cater to potential customers in those regions. We believe that geographical diversification of our projects will reduce our reliance on any particular region and allow us to capitalize on opportunities in different states across the country. Further, we believe that as our Company's existing clientele continues to expand their geographical reach, our relationships will provide us with opportunities to undertake projects for such clientele across the country.

Increase revenue contribution of exports by focusing on USA and other key markets

As per CRISIL Report, the global pre-engineered buildings market was valued at $19-20 billion in 2023 and is expected to clock a CAGR of 10.5-11.5% over the medium term and is projected to be valued at $33.5-$35.5 billion by 2028. In 2023, Southeast Asia accounted for the largest share of the pre-engineered buildings market (29.5-31.5%), closely followed by North America (28.5-30.5%) and Europe (15.5-17.5%) (*Source: CRISIL Report*). As per the CRISIL Report exports of PEB from India increased to ₹ 85.8 billion in Fiscal 2024 from ₹ 35.8 billion in Fiscal 2019, implying a CAGR of ~19.1%. In Fiscal 2024, USA was the top export location of PEB from India with export value of ₹ 50 billion, making it the largest export market of PEB from India (*Source: CRISIL Report*). USA was followed by UK and Saudi Arabia, with the export value of ₹ 2.2 billion and ₹ 2.1 billion respectively (*Source: CRISIL Report*). Collectively, these countries contributed to ~63% of the total PEB exports from India in fiscal 2024 (*Source: CRISIL Report*). The doubling of exports in PEB market from India between Fiscals 2019 to 2024 highlights an increasing trend of outsourcing to Indian players due to competitive pricing, manufacturing capabilities and adherence to quality standards (*Source: CRISIL Report*). This trend of increasing exports highlights rising prominence of Indian PEB players in global markets, especially in countries like USA, thereby providing Indian players more opportunities in international markets. *(Source CRISIL Report)*.

Our revenues from operations split across domestic and exports markets for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as under:

Geographic Regions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Within India	7,758.61	97.59%	8,202.13	93.16%	6,121.05	88.94%
Outside India	191.99	2.41%	602.57	6.84%	761.20	11.06%

Geographic Regions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

We started a wholly owned subsidiary in Texas, USA with a focus to leverage the business potential of the US market through a marketing company based in USA. Our Sanand Facility is the only PEB manufacturing facility in India with a certification from the American Institute of Steel Construction (AISC) as per the AISC website (*Source: CRISIL Report*). We intend to leverage our Sanand Facility and progressively strengthen our US sales team to expand our market reach in USA and Latin America.

In our experience, price realisation in exports of PEBs to USA and European markets is significantly higher than the price realization in the Indian markets for similar products. Additionally, our export contract typically involved only the supply of PEBs without involving the responsibility of erection or installation. We believe that our strategy to increase contribution of exports in our revenues from operations will help us achieve better margins while improving utilization in our existing manufacturing facilities without need for significantly expanding the erection team in geographies outside India.

Expand our business through strategic alliances or inorganic opportunities

In terms of strategic acquisitions, we intend to explore and consider opportunities that can create synergies between the target companies and us and are in line with our growth strategy. We intend to selectively pursue opportunities that will consolidate our market leadership position, enhance our financial position, expand our existing product and service portfolio and increase our distribution network, customers and geographical reach. Our efforts at diversifying into newer categories of our existing business or into new domestic or international markets may be facilitated by investing in similar business opportunities or making acquisitions of existing brands or businesses with manufacturing facilities, market share or growth potential, whose operations, resources, capabilities and strategies are complementary to our existing business.

We plan to target entities that expand our opportunities in other product segments such as structural steel products for manufacturing capital equipment which utilize similar capabilities, end-markets, geographic regions, new customers and new products. We intend to maintain a disciplined approach to acquisitions and consider various selection criteria such as skills of the management team, operation scale, technological capability, product portfolio, customer base, end-market exposures, valuation and estimated costs, as well as cultural fit. We believe that our long-standing customer relationships, financial strength and manufacturing capabilities will enable us to identify and secure appropriate acquisition opportunities in the future.

DESCRIPTION OF OUR BUSINESS

We are one of the India's leading Pre Engineered Buildings and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on August 31, 2024 (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*).

Our business is structured into (a) Phenix division which provides comprehensive solutions for PEBs and complex structural steel components; and (b) Proflex division which provides self-supported steel roofing solutions. We offer our customers comprehensive turn-key solutions which includes project design, engineering, manufacturing and erection in accordance with customer requirements across industrial and infrastructure segments. We have delivered solutions for our customers engaged in diverse sectors including general engineering and manufacturing, food and beverages, warehousing and logistics, power, textiles and railways. We have undertaken the execution of over 8,700 projects until the end of June 2024 under our Phenix and Proflex Divisions.

Set out below is a breakdown of revenue from operations from our Phenix Division and Proflex Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of consolidated revenue from operations:

Divisions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of our consolidated revenue from operations (%)
Phenix Division	5,802.28	72.98%	6,287.92	71.42%	4,905.35	71.28%
Proflex Division	2,145.00	26.98%	2,424.35	27.53%	1,872.36	27.20%
Others*	3.32	0.04%	92.43	1.05%	104.54	1.52%
Total	**7,950.60**	**100.00%**	**8,804.70**	**100.00%**	**6,882.25**	**100.00%**

* *Others includes revenue contribution from Modtech Machines Private Limited*

OUR SERVICES, PRODUCTS AND MANUFACTURING PROCESSES

Services

Phenix Division

Our Phenix Division has integrated manufacturing operations through which we provide comprehensive solutions to the customers which includes estimation, designing, engineering and manufacturing of PEBs within the controlled environment of our Manufacturing Facilities, which are then supplied, installed and erected under supervision through on-site project management. Our comprehensive solutions ensure reliability, efficiency and cost-effectiveness for the customers and allows us to control quality, reduce lead time and optimize cost. Our services include the following:

(I) In-house design and engineering

Our PEB and structural steel manufacturing processes are supported by our in-house design and engineering offices at Hyderabad, Chennai and Ahmedabad which enable us to offer comprehensive design and detailing solutions to our customers, as well as to continually undertake incremental enhancements and improvements of our processes and designs. Our in-house design and engineering teams consist of 95 employees as of August 31, 2024. We have also invested in computer aided design software including STAAD PRO, STAAD PRO ADVANCED, MBS, TEKLA/ TRIMBLE, ZWCAD and BricsCAD. For business process efficiency, our operations are run on SAP-S4 Hana. These software enhance our capabilities to conceptualize and manufacture complex, custom-designed structures that meet specific client requirements with precision.

Our entire manufacturing process begins with us estimating and analysing the client’s requirements. We then conduct an analysis through our STAAD design software, subsequent to which we prepare a general arrangement drawing including architectural inputs as per client requirements. After receiving an approval from the client, we prepare 3D models of the building using the TEKLA software. Once the 3D models are prepared, all our shop drawings which are released for production are extracted from the TEKLA software. We also extract the erection drawings from the TEKLA software, which enables our construction team to track parts and provide erection services seamlessly.

(II) Production

Our PEBs consist of various components including primary structural components, secondary structural components, claddings and procured accessories. For details of the production and manufacture of products by our Phenix Division, see “*Our Business - Description of our Business - Our Services, Products and Manufacturing Processes*” on page 201 below.

(III) Testing and Quality Checks

Our testing laboratory has received ISO/IEC 17025:2017 accreditation from National Accreditation Board for Testing and Calibration Laboratories (NABL)

Laboratory Testing Equipment

Universal Testing Machine

Universal testing machine is used to measure tensile strength, yield strength, elongation, and reduction of area.

Rockwell Hardness Testing Machine

Rockwell hardness testing machine is used to measure hardness in Hardness Rockwell B Scale (HRB) and Hardness Rockwell C Scale (HRC).

Ultrasonic Flaw Detector

Ultrasonic flaw detector is used to measure discontinuity or defects inside welding or material.

Magnetic Particle Test

Magnetic Particle Test is used to measure discontinuity or defects up to 3mm from the surface of material.

Digital Micrometre

Digital micrometre is used to measure dimensions like outside diameter and thickness of material.

Dry Film Thickness Gauge

Dry film thickness (DFT) is the thickness of a coating as measured above the substrate. This can consist of a single layer or multiple layers.

Ultrasonic Thickness Gauge

Ultrasonic thickness Gauge is used to measure thickness of plate.

Surface Profile Gauge

Insize Surface Profile Gauge is used to measure peak-to-valley height of a blast cleaned surface. Surface profile gauges are used to measure the profile height of a surface and the degree of the surface profile.

Testing Facilities

We have put in place various testing facilities to ensure a high standard of quality for our products. Our testing capabilities primarily include mechanical and destructive testing, non-destructive testing, paint testing and blasting-painting. In mechanical and destructive testing, we undertake inspection to test yield strength, elongation, hardness (HRB and HRC) of our products and conducts bend test for plates and welded pieces, proof load testing for fasteners, and tensile testing. On the other hand, for our non-destructive we conduct ultrasound testing, liquid penetrant testing, magnetic particle testing and has a radiography testing viewer. For paint testing, we conduct inspections to check viscosity and density, surface temperature, paint shade matching, paint finishing through panel application, surface profile checking - profile gauge, and surface profile comparator. For paint testing, we also measure wet film thickness (WFT), dry film thickness (DFT) and humidity, and undertakes sieve testing and cross-cut adhesive testing in our products. We are also equipped with other testing equipment that conduct various tests including salt spray testing, MEK testing, GSM testing for mass of zing, impact testing for sheeting, macro etching, conical mandrail bend test for sheeting, and hardness – 2H pencil.

(IV) Logistics and Shipping

We employ transportation modes through roadways and waterways to efficiently transport our PEBs and structural components. Oversized or particularly heavy components are transported using specialized trucks equipped to handle large loads. Waterways are utilised by us for international shipments or for destinations located far from the manufacturing facility.

(V) Erection and Installation

We undertake steps for site organization, including setting up the site/laying groundwork and preparing area for material storage, before commencing with the erection process. This also includes taking over the foundation from the civil contractor. Erection commences with column and rafter. We undertake a grid-wise erection, using pulley ropes, to ensure stability of the frame. Girts and temporary bracings are installed to support the erection. Subsequently, we perform roof sheeting and cladding as per client specifications. Wall sheeting and cladding are also conducted. Throughout the process, supervision is conducted, and execution engineers conduct verticality checks. We install value-added services and products as per client specifications, such as turbo ventilators, rolling shutters, doors and windows.

(VI) On-Site Project Management

We have on-site project managers who supervise the entire process. They monitor the progress against the overall planned delivery schedule communicated to the customer.

(VII) After Sales Service

We maintain constant communication with our customers even post-delivery of the project, to cater to their requirements as and when needed, as per contractual obligations. If a customer raises any concerns or issues on site, we ensure that the issues are resolved swiftly.

Proflex Division

Through our Proflex Division, we manufacture as well as install self-supported steel roofings. The roof panels are produced at the construction site of our customers using our mobile manufacturing units. Once we are awarded a project, technical data is provided to our customers for preparing the civil structure. Upon completion of the civil structure, our mobile manufacturing unit is transported to the site, where production of roofing panels commences. Once the panels are manufactured at ground level, they are mechanically seamed in sets of three. These sets of three are then lifted and installed onto the civil structure, with the help of cranes.

Products

Phenix Division

Our product portfolio for the Phenix Division consists of the following:

(I) PEBs which consists of the following components manufactured by us:

(a) *Primary structural components*- main frames, columns, end-wall posts, solid web rafters, open web rafters and other main support components;

(b) *Secondary structural components*- purlins and girts, eave strut, cable, angle, pipe, builtup, rod bracing, wide bay truss purlins (cold formed/HR);

(c) *Claddings*- pre-painted galvalume, PPGL panels with a wide range of coatings including RMP, SMP, SVP and PVDF; and

(d) *Standing seam roof*;

(II) We also procure accessories such as fasteners, TUF-dome lite, sliding doors, mastic doors, walk-away doors, insulation, glazing windows, roof curbs, fixed ventilators, roof jack, turbo vents, roll-up doors and ridge vent sealants.

(III) Structural steel which consists of universal beam/ universal channel, European channels, Indian sections, circular hollow sections, rectangular hollow sections, parallel flange channels, wide flange beams, equal/ unequal angles, ISMB beams and ISMC channel.

Set forth below are certain key products which we manufacture through the Phenix Division of our Company in connection with providing comprehensive solutions for PEBs:

I. PEBs

A. *Primary Structural Components which form a part of the PEBs manufactured by us*

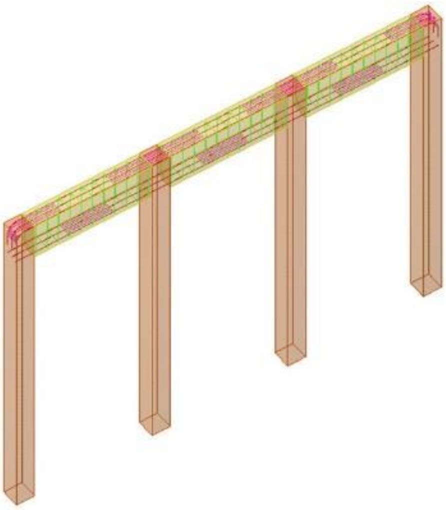
(a) Main Frames

(i) PHX Rigid Frame

Steel frames are made up to two columns and two sloped beams known as rafters, which support the roof of the building. This arrangement provides a stable frame upon which sheeting is placed to form a building. The PHX rigid frame has a clear span structure, characterized by tapered columns, tapered haunches and rafter beams. It is an ideal system for customers requiring economical and column free space for flexibility in their plant layout by offering a possible clear span of up to 120 meters.

(ii) PHX Continuous Beam

This system is based on the rigid frame concept with the addition of intermediate support columns which allows larger building width and economical designs. This system typically has a lower cost per square feet of space and offers an interior column spacing of 66ft or more. This system can be installed in any width or eave height and is ideal for larger production or storage units.



(iii) PHX Lean-To

This consists of a column and one sloping rafter. It is supported at the rafter end by an adjacent building and on the other end by a column. The structure has only one slope or pitch and depends on another structure for partial support. This type of frame provides an open, unobstructed interior space with peaked, single-slopes, slope and lean to roof configurations which spans to up to 30 meters.

(iv) PHX Deck Frame

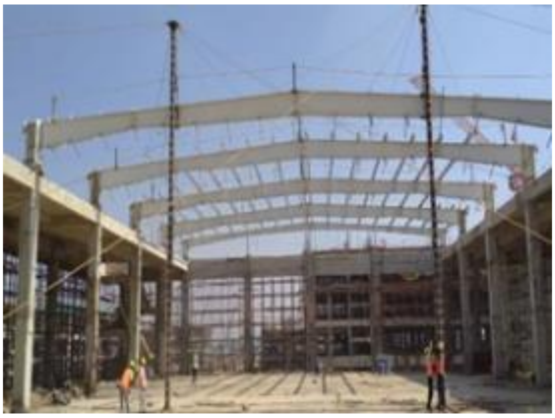
The deck sheet components are provided for multi-storey buildings. This type of frame is typically designed to offer mezzanine floors and membrane roof applications and is aesthetically superior. The standard panel is used as a form (shuttering) on mezzanine floors. The deck frame can also be used as a deck panel over which concrete is poured. This type of structure also enhances the speed and economy of steel floor construction.

(b) End-Wall Posts

End-wall posts are vertical structural elements placed at the ends of the building, forming part of the end wall framing system. These posts provide support for the walls, which typically include doors, windows, and other openings, and contribute to the overall stability of the structure by helping with load support, weather and wind resistance.

(c) Rafters

We manufacture solid web and open web rafters for our PEBs. Rafters are the primary structural components of the roof system. They are horizontal or sloped beams that span across the width of the building, forming part of the main frame. The rafters support the roof covering and transfer the roof loads, such as the weight of the roof itself, wind, and other environmental forces, to the columns or side walls of the building.

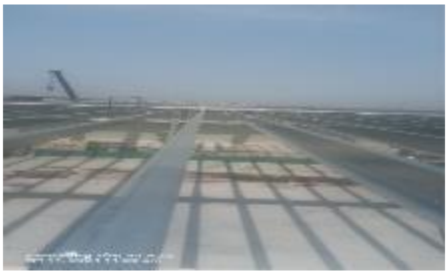


B. *Secondary Structural Components*

These are select load carrying components suitable to ensure the stability of the building against external forces.

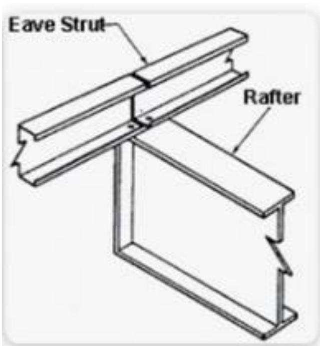
(a) Purlins and Girts

Purlins and girts are structural components placed under the roof, wall and the perimeter of the PEB, hence serving as support to the roof sheet and wall cladding. Our Company offer two kinds (i) PHX-Zees and (ii) PHX-Cees which have a depth ranging from 165 to 300 millimetres and a thickness ranging from 1.5 to 3.15 millimetres. A purlin is a secondary member, and a cold-formed horizontal structural member located in the roof. Purlins support roof panels that are in turn supported by the primary structural framing. A girt is also secondary member. It is usually cold formed and overlaps at the outside column flange to form a continuous member.



(b) Eave Struts

Their primary function is to support the gutters along with acting as a junction of the roof and the wall cladding.



(c) Cable/ Angle/ Rod Bracing Tube

These components are designed to ensure the stability of the building against forces in the longitudinal director due to winds and earthquakes. Bracings are erected and tensioned to ensure that a building does not sway, and a proper plumb of a primary member is achieved.

(d) Open Web Joists

These are long-span, load-carrying components suitable for providing direct support of the floors and roof decks in the buildings. An open web joist is a fabricated structural member and is often used in a mezzanine structure. These types of joists are composed of top and bottom chords that are connected by a web of diagonal and vertical steel members, forming a truss like structure.

C. Claddings

A cladding is a profiled sheet material, fixed over the wall girts, which is used to close the building and avoid flow of wind and light inside the building. Our Company manufactures pre-painted galvalume sheeting which is a multi-layer coated profile to ensure a longer life under different weather conditions and better aesthetics. The claddings can be used for roofs and wall skins that cover the main steel frame and are available with or without insulation. These claddings provide options for energy-efficient roofs and improves strength and sturdiness. We offer the following types of claddings: (i) PHX rib for roof; (ii) PHX deeper rib for wall; (iii) PHX reverse rib for wall; and (iv) PHX PUF rib for roof and wall.

D. Additional Components

(a) Fascias and Canopies

Fascias are surfaces, which are placed outside the building to improve its aesthetic look. A fascia can be in the form of a decorative trim or a panel projecting from the face of a wall. Canopy is an overhanging structure or projection of roof to provide shelter for any frame opening of the side or end wall. Our Company's Phenix division offers fascias ranging from 1.2 meters to 1.8 meters in height and canopies ranging from 0.3 meters to 10 meters in width.

(b) Mezzanines

Mezzanines serve as intermediate floors between the main floors of the building. This type of structure usually consists of a mezzanine column, a mezzanine beam and a mezzanine joist to support the deck panel over which concrete is poured.

(c) Crane Beams

Crane beams are components that support the crane gliders and facilitate the crane movement. We have experience in detailing and supplying crane beams to support more than 300 meters cranes.

E. Specialty Roofing Systems (Interlock 360)

We manufacture a specialty roofing system which is a screw less roof. The roofing system is leakproof and has an inter-locking panel with a 360^{o} mechanical seam. This roofing system is a fully seamed roof which is profiled and has a seamed ridge cap for enhanced weather tightness and rigidity at roof apex. This roofing system contains a high rib of 3 inches offering superior sectional properties which provides higher strength and ensures quicker drainage of water. An on-line sealant application ensures weather-tightness at the seam after installation. A movable clip allows for free expansion and contraction of the roof due to thermal effects.

F. Accessories

We externally procure bought out parts which are utilised in PEBs including fasteners, TUF-dome lite, sliding doors, mastic doors, walk-away doors, insulation, glazing windows, roof curbs, fixed ventilators, roof jack, turbo vents, roll-up doors and ridge vent sealants.

II. Structural Steel Components

A. H-Beams

H-beam is named for its H-shaped cross-section, with one vertical flange and two long-side flanges. This product includes HW wide flange, HM medium flange, HN narrow flange.

B. I-Beams

Hot rolled I-beam, also called steel girder, is a strip steel product with an I-shaped cross-section.

C. Tapered Columns

Tapered columns in PEBs are structural columns that are wider at the base and gradually reduce in width as they move towards the top (reducing web size). These columns are a common feature because of their efficiency in handling loads and optimizing material usage.

D. Truss System

The truss system is a lattice structure ideal for large span roof systems, multiple bay buildings and as mezzanine floor framing. These structures are individually designed to meet the specific requirements of each building and are fabricated utilizing high quality efficient fixtures. The system allows for easy erection, as all connections are field bolted.

E. Additional Components

We manufacture a range of medium to heavy structural steel components including T-Beams, box beams, plus/ cross beams.

The beams and girders which we manufacture at our Manufacturing Facilities are fabricated to precise dimensions through automatic and mechanized processing. CNC programmed flame cutting is used for high accuracy and precision in plate cutting.

Edge and mill facilities are deployed for precise finishing. Hole drilling, sawing and marking is done on-line on automatic drilling/ sawing and marking machines. The fabricated components are shot/ slag blasted before painting. The beams can be delivered face milled, shot-blasted, painted or DTM coated in factory finished condition. We manufacture large size fabricated beams with drilled holes, studs, stiffeners, base plates, splice plates ready to be used at the site. We manufacture a custom range of plate fabricated beams, box beams, star beams and girders for construction of bridges, flyovers, metro rail projects, power plants and super critical boiler columns, industrial structures, material handling systems, refineries, steel plants, airports, shopping malls, stadiums, utility and multistoried buildings.

We fabricate our heavy structural steel components using our welding bay which is equipped with sawing and drilling facilities and automatic submerged arc welding lines. We have CNC controlled as well as manual cutting and drilling options, automatic material handling and automatic twin head welding, online shot blasting and painting line. For our testing purposes, we have an in-house NDT testing capabilities.

Proflex Division

Through the Proflex Division, we manufacture and install self-supported steel roofings. In over 23 years of operating the Proflex Division, we have manufactured and installed more than 17 million square metres of roofing across India, executing over 7,200 projects and catering to our customers operating in a diverse set of end-user industries. Set out below are some of the key self-supported roofings manufactured by our Proflex Division:

I. Roof with Reinforced Cement Concrete (RCC) Structure

When Proflex roof is installed on a building with a support structure constructed with reinforced cement concrete, it is referred to as a 'Roof with RCC Structure'.

Roof with RCC Structure

II. Roof with Steel Structure

When a Proflex roof is installed on a building with a support structure fabricated from steel, it is referred to as a 'Roof with Steel Structure'.

Roof with Steel Structure

III. L Section Roof

When two roofs intersect at a 90-degree angle, creating an 'L' shape when viewed from the top, they are referred to as 'L-Section Roofs'.

L section Roofs

IV. Roof with Differential Height

When adjoining roofs have varying heights, they are referred to as 'Roofs with Differential Height'.

Roof with Differential Height

V. Roof on an Elevated Base

Roof on an Elevated Base

VI. Ground to Ground Building

When roofing panels are installed on two beams laid on the ground, they are referred to as 'Ground-to-Ground Buildings'.

Ground to Ground Building

VII. Roof with Semi/ Half Arch

When roofs are installed in a configuration of less than a full arch, they are referred to as 'Roofs with Semi/Half Arch'.

Roof with Semi/Half Arch

VIII. Roof with Overhead Crane

When roofs are installed in buildings where overhead cranes have to operate, they are referred to as 'Roofs with Overhead Crane'.

Roof with Overhead Crane

IX. Roof with Hanging Ducts

When ducts to be hanged are supported from the roofs, they are referred to as 'Roof with Hanging Ducts'.

Roof with Hanging Ducts

X. ‘A’ Shaped Buildings

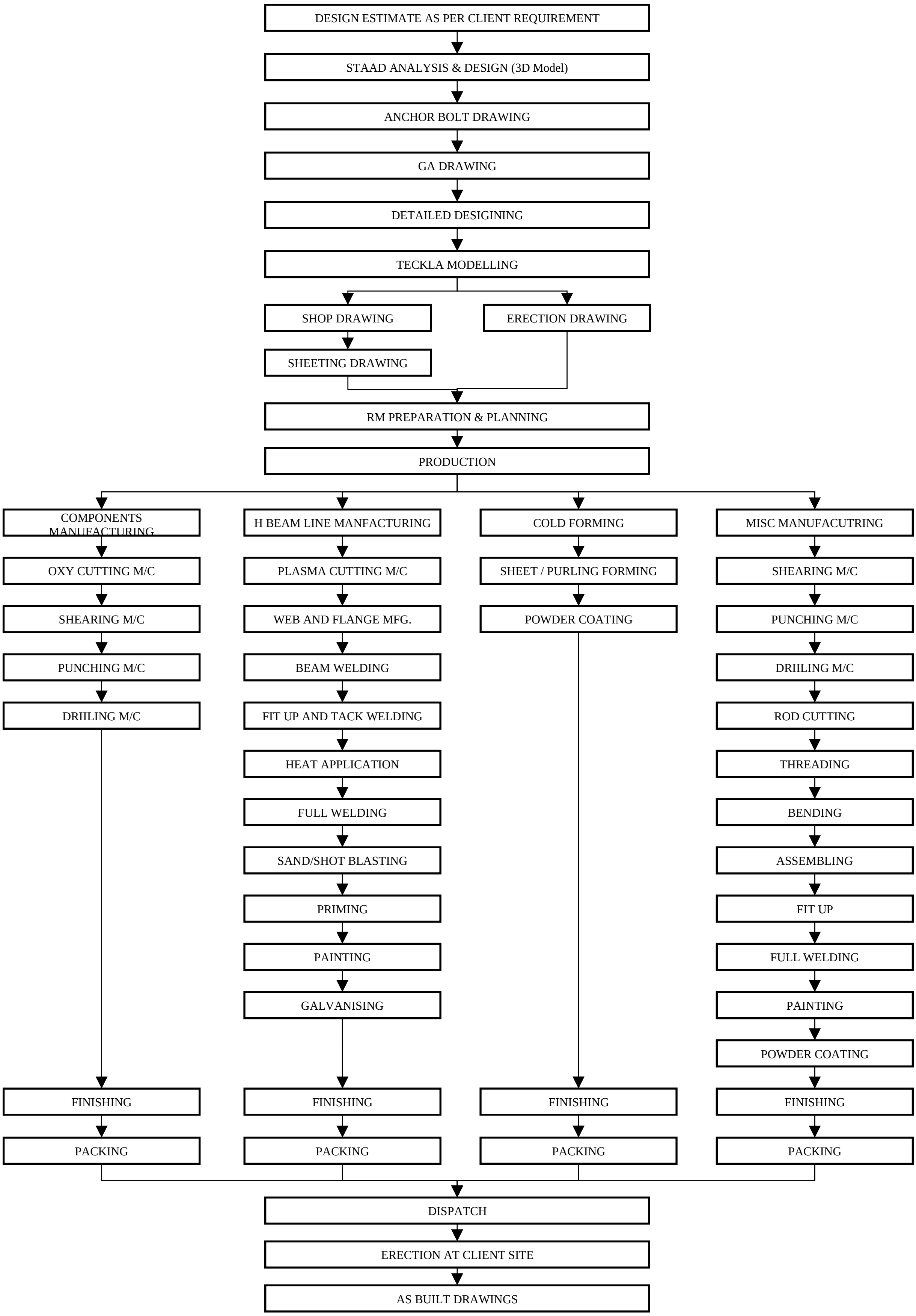
When a steel building is constructed in the shape resembling the letter 'A', it is referred to as an ‘A-shaped building’.

‘A’ shaped Buildings

Our company procures additional components, such as ventilators, sky lights, and High-Volume Low Speed (HVLS) fans from third parties, as per our needs and specifications.

Manufacturing Processes

The flowchart below indicates the manner in which our Company provides comprehensive solutions through the Phenix Division:



The flowchart below indicates the manner in which our Company provides comprehensive solutions through the Proflex Division:

Determining optimal thickness of steel using building parameters and design software

↓

Preparation and submission of technical data for civil structure preparation

↓

Mobilisation of steel coils and other materials to the client site

↓

Mobilisation of machinery to the site

↓

Corrugation of roofing panels at site. Joining of three panels through seaming machine

↓

Installation of three panels set on building through cranes and installation

↓

Repetition of corrugation, seaming and installation until the roof is completed

↓

Installation of ventilators, sky lights, hangers and other accessories

↓

Installation of cladding, if applicable

↓

Handover of the project

MARQUEE PROJECTS

Some of our marquee projects include:

(i) Over 62,000 square metres PEB installation for the automobile manufacturing plant of a global automobile manufacturer located at Ahmedabad, Gujarat.

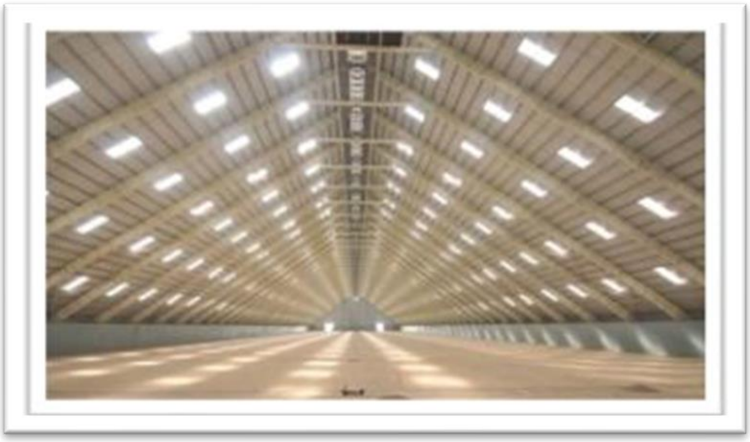
(ii) Over 285,000 square metres PEB installation for a textile plant, for a major textile company at Hoshangabad, Madhya Pradesh.

(iii) Over 125,000 square metres PEB installation for a multinational home appliance manufacturer based out of Noida.

(iv) Over 57,000 square metres PEB installation for a warehouse, for a multinational e-commerce company at Ahmedabad, Gujarat.

(v) Approximately 3,000 square metres PEB installation with a retractable (openable) roof structure for a Kolkata based shipyard.

(vi) Approximately 90,000 square metres 'A' frame structure with a centre height of 42 metres and clean span of 84 metres specially designed for the sugar storage requirements of a major Indian sugar company in Kandla, Gujarat.



(vii) Over 5,500 square metres PEB installation for an indoor multi-use facility at Texas, US

(viii) Over 18,000 sq. mts PEB installation for a temple at New Jersey, US;

Proflex Division

(i) Over 300 projects in the railway sector with cumulative installation of 0.6 million square metres wherein the self-supporting roofing solution covered railway infrastructure elements such as platforms, workshops, coach factories, service and repair sheds, warehouses and stock sheds, including the self-supported roofing solution installed at the Hubli Railway station platform which extends for 1.4 kilometres, and custom designed roofing solutions for the Vande Bharat Depots.

Vande Bharat Mumbai Central Pit Line Shed

Hubli Railway Station

Vande Bharat Depot

(ii) Self-supported roofing structure for a major Indian milk co-operative society at Anand Gujarat.

(iii) Self-supported roofing structure for a major Indian sugar company at Rajpura, Uttar Pradesh.

OUR FACILITIES

Phenix Division

Sanand Facility

We have one PEB and structural steel manufacturing facility at Sanand, Gujarat where we undertake the manufacturing of PEBs. We also manufacture light to heavy complex steel structures as well as stainless steel bridge girders at the Sanand Facility. Our Sanand Facility is strategically located to cater to our customers in Western India, Northern India and Central India, as well as by close connectivity to ports in the state of Gujarat. Our Sanand Facility is also recognized by the Research Design and Standards Organization of the Indian Railways, FM Global and NABL. We have also received an approval letter from the Chief Engineer (Navy) for registration in relation to design, manufacture and erection of PEB structures. Our Sanand Facility is the only PEB manufacturing facility in India with a certification from the American Institute of Steel Construction (AISC), as per AISC website (*Source: CRISIL Report).* These accreditations demonstrate the standards of quality systems and procedures adopted at our Sanand Facility.

Cheyyar Facility

Our second facility for PEB and structural steel manufacturing is in Cheyyar, Tamil Nadu. Our Cheyyar Facility was commissioned on May 2024 with an existing capacity of 31,800 MTPA.

Our facilities are also equipped with (i) plasma cutting torches, (ii) oxy acetylene cutting torches, (iii) flange lines, (iv) welding stations, (v) hydraulic lifts, (vi) beam welding machines, (vii) online shotblasting & painting system, (viii) sheet profiling machine, (ix) integrated purlin forming & painting lines, (x) deck panels, (xi) profiling lines, and (xii) high precision CNC machinery.

Across a combined land area of around 225,524 square metres, our Sanand and Cheyyar Facilities together have utilised area of around 65,815 square metres with unutilised built-up area of around 1,59,709 square metres. The two facilities have a combined installation capacity of 103,800 MTPA as of August 31, 2024.

The table below sets forth the installed production capacity and the capacity utilization of our Sanand Facility for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization
Pre-Engineered Buildings	MTPA	72,000.00	41,845.30	58.12%	72,000.00	43,483.19	60.39%	72,000.00	38,555.04	53.55%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

Note: Installed capacity and annual production indicate the capacity for production of pre-engineered buildings which generally determines the overall capacity of the manufacturing facility. This does not include the individual capacity for manufacturing specific primary and secondary structural components for pre-engineered buildings, structural steel components such as beams, channels, hollow sections which are generally form part of the pre-engineered buildings.

* *It is assumed operations of 365 days a year and 3-shift operation of 8 hours a day for calculation of Installed Capacity of respective facilities of M&B Engineering Ltd*

Proflex Division

Our Proflex Division operates a fleet of 14 mobile manufacturing units which allows us to address our customers in a wide geographic expanse. Each of our mobile manufacturing unit is equipped with a panel manufacturing machine, a telescopic crane and other ancillary equipment. The installed capacity and capacity utilization for our mobile manufacturing units for Fiscals 2024, 2023 and 2022 respectively are set out below:

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization
Self-Supported Roofings	Square meters	16,50,000.00	12,31,610.00	74.64%	16,50,000.00	13,66,744.00	82.83%	12,00,000.00	10,66,225.00	88.85%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

As of August 31, 2024, the installed capacity of M&B Engineering Ltd for manufacturing of self-supported roofings was 18,00,000 square metres per annum.

RAW MATERIALS AND PROCUREMENT

For our operations, our primary raw material is steel in various descriptions and thickness. We have established relationships with suppliers who provide high quality steel that meets our requirements. Since steel is a commodity and prices fluctuate, long-term contracts for the supply of raw materials are generally not feasible. Therefore, based on our needs, we procure steel through purchase orders, which specify the terms and conditions related to pricing, scheduling and delivery details.

The table below sets out our cost of raw materials consumed in Fiscal 2024, Fiscal 2023 and Fiscal 2022 and such expenses as a percentage of our total expenses for the same periods:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)
Cost of raw materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work in progress	5,107.84	68.34%	6,052.31	71.75%	4,478.24	66.25%

Also see, "*Risk Factors – Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices, availability and quality of raw materials could adversely affect our reputation, business, results from operations, financial conditions and cash flows. We rely on limited suppliers for our primary raw material steel, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions*." on page 34.

UTILITIES

Power and Fuel

Our mobile manufacturing units are powered through diesel engines, providing the flexibility to produce roofing panels in remote and underdeveloped areas where electricity is unavailable. To operate ancillary equipment, we source electricity from our customer's project sites, supplied by state controlled electricity boards/ bodies where available, and use generator/DG sets in areas with limited electricity access. The process requires an uninterrupted and constant voltage power to ensure the production of high-quality products.

Water

Our manufacturing processes also require water consumption although they are not water intensive. The requirement for water for our Sanand Facility is primarily met through procuring water from central ground water board (CGWB).

The table below sets out our power and fuel charges together as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)
Power and Fuel charges	29.13	0.39%	26.64	0.32%	22.69	0.34%

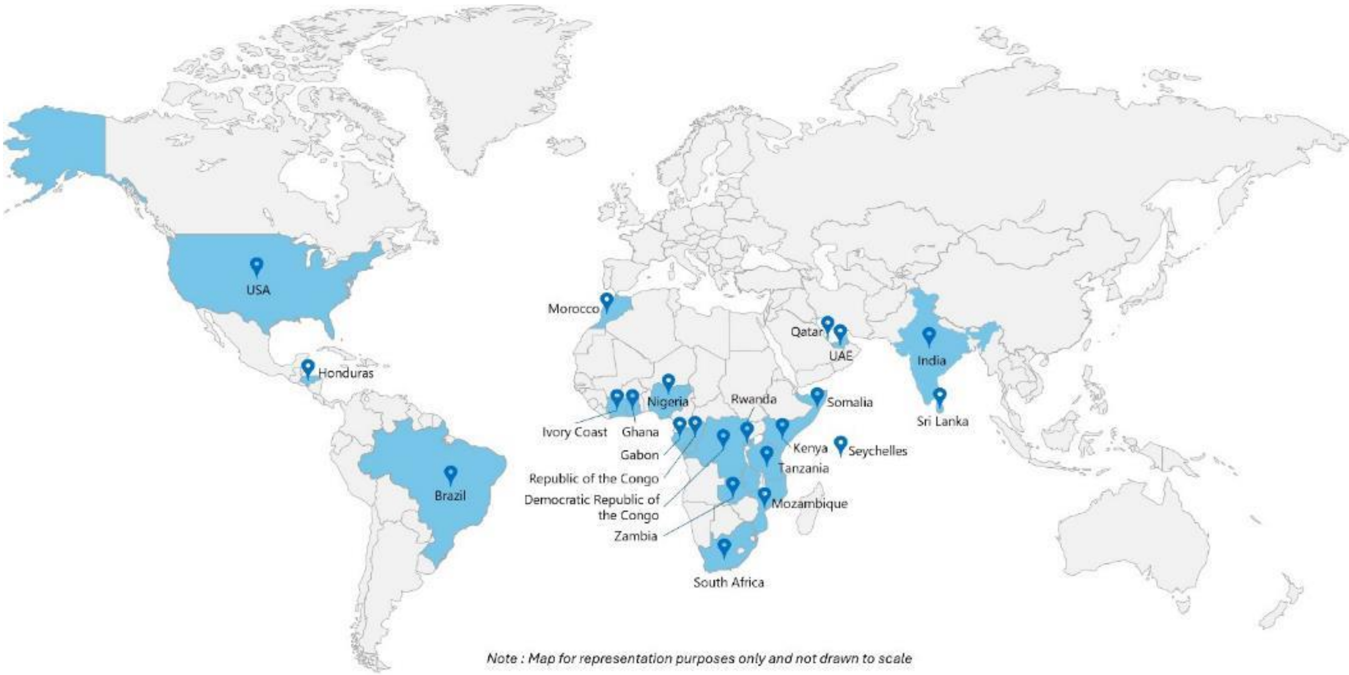
Freight and Transportation

We transport our finished products by road and sea. We rely on both company-owned vehicles and third-party transport agencies for shipping. The mode of ownership we utilise depends on various factors including costs, control over supply chain, and maintenance requirements.

OUR CUSTOMERS

We have established long-term relationships with our diverse set of customers across industries we cater to domestically and internationally. Our business footprint spans across geographies. Since Fiscal 2010, we have served customers in more than 20 countries, including customers in US, Brazil, South Africa, Qatar, Sri Lanka, Morocco, Nigeria, Kenya and Seychelles.

A map indicating the countries where we have made sales to our customers since Fiscal 2010, is as under:



Some of our notable customers include Adani Green Energy Limited, Adani Ports and Special Economic Zone Limited, Adani Logistics Limited, AIA Engineering Limited, Alembic Pharmaceuticals Limited, Tata Advanced Systems Limited, Balaji Wafers Private Limited, Elecon Engineering Co Limited, Gujarat Tea Processors and Packers Limited, Intas Pharmaceuticals Limited, Lubi Industries LLP, PSP Projects Limited, Everest Food Products Private Limited, Arvind Limited, Inductotherm (India) Private Limited, Haldiram Foods International Private Limited, SMC Power Generation Limited, Oriental Rubber Industries Limited, Shree Ram Industries, Satyam Plastfab Private Limited and Laxmi Hydraulics Private Limited. We have had a relationship with of more than 15 years with some of our customers. Based on our execution track record we have developed strong relationships with our customers which is reflected in repeat orders from our customer.

We believe that our enduring customer relationships serve as a clear testament to our commitment to quality, as well as our advanced design, engineering and manufacturing capabilities. We believe that as a result of our long-standing relationships with our customers, we are well equipped to retain our presence in the market and build upon these relationships to increase our product base and reach out to new customers. Our long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

SALES AND MARKETING

Our business is conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and ensuring timely delivery.

Domestic markets

Our domestic presence is anchored by our marketing head office in Ahmedabad which is complemented by a strategic network of regional offices or representatives stationed in key cities across India including Mumbai, Kolkata, Jaipur, Pune, Hyderabad, Delhi, Chennai and Bengaluru.

We have a dedicated sales and marketing team , which carries out several activities to generate sales. For instance, we participate in trade shows, construction expos, and industry specific events, where we showcase our products and meet potential clients to build brand visibility. We regularly attend industry networking events, which enable us to build relationships with key stakeholders, potential partners and decision makers in the construction and infrastructure sectors. Our team also conducts product presentations and live demonstrations for prospective clients, to showcase the quality and versatility of our self-supported steel roofing and cladding solutions. In order to tap into the digital sphere, our team generates leads and increases brand awareness by running targeted online marketing campaigns through social media platforms. Our marketing efforts are further complimented by producing and distributing brochures, catalogues, and promotional materials at events, trade shows and during client interactions. We enhance and customise our client experience by providing technical consultations to our clients, which helps us understand their needs, and offer them tailored solutions in relation to specific projects.

International Markets

We are aggressively pursuing opportunities in the global markets by having established a wholly owned subsidiary in the US which operates a sales office in Texas. This strategic move is aimed at leveraging the business potential of the US market through a dedicated front marketing company.

QUALITY CONTROL, TESTING AND CERTIFICATIONS

We place an emphasis on product and process quality control, which we consider integral to our success. Our quality systems and processes are intended to enable us to meet the stringent requirements of our customers and meet the stipulated performance standards timelines. A crucial element of our manufacturing process involves precise column and beam processing, meticulous surface finishing, and the crafting of metal sheeting components, all of which are conducted with the support of our advanced CNC systems. We have established dedicated safety and quality control teams to oversee each stage of the erection process. Our dedicated project planning and control team oversees overall execution of our orders, and coordinates with the various relevant departments within our Company.

Our Company has received the following certifications and accreditations:

- Quality certification from the American Institute of Steel Construction Certification Programs to the Phenix Division of the Company, recognising that the Sanand Facility successfully meets the quality certification requirements for building fabricator and complex coating endorsement 2-covered.

- Registration for the Phenix Division of the Company as a vendor with Engineers India Limited a Government of India undertaking, in the “Approved vendor list for Architectural & Building Products” for the product category of “Precoated Profiled GI/ Galvalume/ Zincalume Sheets”.

- Certificate of compliance issued by FM Approvals for the approval of testing of SSR Standing Seam Roof Systems as Class 1 Panel Roofs.

- Membership Certificate issued to our Company’s Phenix Division by the Indian Green Building Council.

- ISO/IEC 17025:2017 (General Requirements for the Competence of Testing & Calibration Laboratories issued by the National Accreditation Board for Testing and Calibration Laboratories to the Phenix Division of our Company for our Sanand Facility in the field of testing.

- RDSO certificate for fabrication of composite girder and other steel plate girder issued by Research Design & Standards Organisation (Government of India- Ministry of Railways).

- ISO 14001: 2015 certificate for Environmental Management System issued by Royal Assessments Private Limited.

HUMAN RESOURCES AND EMPLOYEE TRAINING

Our workforce is a critical factor in maintaining quality and safety which strengthens our competitive position in the industry. We are largely dependent on our highly skilled and technically competent workforce to ensure timely completion of our projects. To continually enhance our operational excellence and improve productivity and quality, while ensuring strict adherence to safety and compliance standards, we regularly invest in comprehensive training programs for our employees. These programs include onboarding sessions, technical workshops, and specialized safety training such as fire safety induction, incident investigation, working at heights safety, and electrical safety training. Through these initiatives, we ensure our workforce is equipped with the necessary knowledge and skills to uphold the highest standards of operational efficiency, safety and quality. In addition to technical and safety training, we also conduct soft skills training.

As on August 31st, 2024, our company had 1,555 permanent employees. Our employees are not part of any union and we have not experienced any work stoppages due to labour disputes or cessation of work in the recent past.

Particulars	Sum of Total
Manufacturing and Erection	1,123
Sales and Marketing	100
Design and Engineering	95
Others	57
Procurement	56
Quality and Testing	47
Administration	34
Finance and Legal	33
Management	10
Grand Total	**1,555**

We engage contract labourers depending on the requirements of labour-intensive projects particularly in our Manufacturing Facility and at the time of assembling and erection of the PEBs at the site of the customer. The number of contract labourers engaged by us vary from time to time based on the nature and extent of work involved in our ongoing projects.

HEALTH, SAFETY AND ENVIRONMENT

We endeavour to adhere to laws and regulations relating to protection of health, employee safety and the environment. Our activities are subject to the environmental laws and regulations of India and other jurisdictions, which govern, among other aspects, air emissions, waste water discharge, the handling, storage and disposal of hazardous substances and waste, the remediation of contaminated sites, natural resource damage, and employee health and employee safety.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks by providing appropriate training to our management and our employees. We have adopted a health environment and safety policy to ensure compliance with legal and other requirements related to environment and occupational health safety, in addition to ensuring resource conservation, prevention of pollution, injury and ill health of employees. We aim to ensure safe and healthy environment and further provide for medical checkups and safety measures in order to achieve zero accidents on a sustainable basis. We take initiatives to reduce the risk of accidents at our manufacturing facilities including by providing training and safety manuals to our employees and by conducting safety audits periodically. Our employees are provided appropriate personal protection equipment and we have a dedicated environment, health and safety team which is responsible to ensure adherence to safety norms. We also conduct mock drills to ensure compliance with safety norms.

INFORMATION TECHNOLOGY

Investment in information technology ("**IT**") infrastructure is essential to improve our operational efficiencies, improve scale and enhance productivity. We currently use advanced information technology systems, which assists us with various functions including material management, production planning, plant maintenance, sales and distribution, financial and accounting, quality management, governance, risk and compliance and human resource functions. These systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. All electronic files created, sent, received or stored on any system owned, leased or administered equipment or otherwise under the custody and control of our Company is our property. Our IT systems are vital to our business, and we have established a differentiated technology infrastructure with web-based integrated systems, analytical tools, infrastructure monitoring and information security monitoring tools to assist us in our operations. We have also invested in computer aided design Software including STAAD PRO, STAAD PRO ADVANCED, MBS, TEKLA/ TRIMBLE, ZWCAD and BricsCAD. For business process efficiency, our operations are run on SAP-S4 Hana. This software enhances our capabilities to conceptualize and manufacture complex, custom-designed structures that meet specific client requirements with precision.

We are committed to safeguarding confidentiality, and we ensure the integrity and availability of all physical and electronic information assets of facilities where we operate, to ensure that legal, regulatory, and operational requirements are fulfilled. For security and network maintenance, we authorise individuals within the Company IT Department to monitor equipment, systems and network traffic at any point of time, further we reserve the right to audit networks and systems on a periodic basis. We will continue to focus on increasing operational efficiency through technology initiatives.

For information on the risk to our IT systems, see *"Risk Factors – We may be exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems which may have an adverse effect on our business and results of operations"* on page 60.

INSURANCE

Our operations are subject to certain hazards such as work accidents, fire, earthquakes, flood and other force majeure events and explosions and those hazards which are inherent to companies operating in our sector such as destruction of property and inventory, losses resulting from defects or damages arising during transit of our products in addition to risk of equipment failure, acts of terrorism and environmental damage. We may also be subject to claims from our customers if the products that we manufacture and services that we provide are not in compliance with regulatory standards and the terms of our contractual arrangements.

We maintain insurance policies that we believe are customary for companies operating in our industry and which are necessary for our business. Our principal types of insurance coverage include, *inter alia,* contractor's plant and machinery policy, burglary insurance policy, standard fire and special perils policy, business secure insurance policy, errors and omission liability insurance policy, and broadform liability insurance policy. We typically obtain motor insurance policy and marine export import insurance open policy for the transit of goods. We have also obtained a group mediclaim policy, group personal accident insurance, and employees compensation policy for our employees. We obtain other specific insurance as may be required by our customers under the scope of work which we undertake. We believe that the level of insurance we maintain is appropriate for the risks of our business. However, we cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. See '*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have an adverse effect on our business"* on page 52.

CORPORATE SOCIAL RESPONSIBILITY

Our Company has constituted a Corporate Social Responsibility (**"CSR"**) Committee in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government and amendments thereto and formulated a CSR policy to govern such initiatives. The CSR activities undertaken by our Company include promotion of healthcare and education.

AWARDS AND ACCREDITATIONS

For details of the awards and accreditations received by our Company, see "*History and Certain Corporate Matters – Key awards, accreditations, certifications and recognitions received by our Company*" on page 236.

INTELLECTUAL PROPERTY RIGHTS

For details of the intellectual property held by our Company, see "*Government and Other Approvals - Intellectual Property Rights*" on page 390. For risks in relation to intellectual property held by our Company, see "*Risk Factors- We may not be able to adequately protect our intellectual property or may unintentionally infringe upon the intellectual property rights of others which could substantially harm our business*" on page 43.

PROPERTIES

The following table sets forth details of our principal properties:

S. No	Property	Location / district	Nature of holding	Term of Lease
1.	Registered and Corporate Office	MB House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad – 380 014 Gujarat, India	Leased	Commencing from April 1, 2017, for a period of 10 years
2.	Godown in Ahmedabad	103/P Khoda & 107/2/P Khoda, Taluka Sanad, Dist Ahmedabad	Leased	Commencing from April 1, 2022, for a period of 3 years.
3.	Sanand Facility	Block No. 30, Naranpura, Taluka Sanand, Dist Ahmedabad	Owned	Not Applicable
4.	Cheyyar Facility	Plot No. B-41, SIPCOT Industrial Park, Cheyyar - Phase - II, Mathur Village, Taluk of Vembakkam, Dusi, Tiruvannamalai	Leased	Commencing from October 17, 2022, for a period of 99 years.
5.	Delhi Office	B- 3/6&7, 2nd Floor, Front Side, Asaf Ali Road, New Delhi – 110002	Leased	Commencing from November 6, 2017, for a period of 9 years.
6.	Mumbai Office	7th Floor, 701/A, Mangalya, Marol - Maroshi Road, Marol, Mumbai- 400059 Maharashtra	Leased	Commencing from November 16, 2022, for a period of 3 years.

S. No	Property	Location / district	Nature of holding	Term of Lease
7.	Pune Office	Flat 7, Chinar Co-Operative Housing Society. CTS No. 1707 – B. F. P. No 50/1, K. B. Joshi Road, Shivajinagar, Pune – 411 005	Leased	Commencing from November 12, 2021, for a period of 3 years.
8.	Hyderabad Office	Plot No. 47, HIG, Phase V, KRHB Colony, Kukatpally, Ranga Reddy District, Hyderabad, Telangana	Leased	Commencing from May 24, 2024, for a period of 6 months.
9.	Bangalore Office	Urban Desk, No. 73, 3rd Floor, Service Road, Shreelekha Complex, W.O.C Road, 2nd Stage, Mahalakshmipuram, Bengaluru - 560086	Leased	Commencing from August 1, 2024, till June 30, 2025.
10.	Chennai Office	Second Floor, No. 2, 1st Cross Street, Achuthan Nagar, Ekkatuthangal, Chennai – 600032	Leased	Commencing from September 1, 2024, for a period of 11 months.
11.	Vijayawada Office	Door No. 27-22-43, J.D. Hospital Road, Governorpet, Vijayawada, Krishna District, Andhra Pradesh	Leased	Commencing from July 15, 2023, for a period of 3 years.
12.	Guwahati Office	A.T. Road, Bharalumukh, Guwaharti, Kamrup (Metro), Assam, 781009	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
13.	Patna Office	Naya tola rai colony, Khagal Road, Phulwari Sharif, Patna District, Bihar - 801505	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
14.	Goa Office	HDS-23, HIG Flats, Pundalik Nagar, Alto- Porvorim, Goa - 403521	Leased	Commencing from October 1, 2022, for a period 3 years.
15.	Haryana Office	412/4, Ram Nagar, Gali no.7, Sector 8, Gurgaon, Haryana, 122001	Leased	Commencing from December 20, 2022, for a period of 2 years.
16.	Solan Office	Motia Plaza, Village Saraj Majra, Tehsil Baddi, Distt Solan, Himachal Pradesh	Leased	Commencing from April 1, 2024, for a period of 3 years.
17.	Singhbhum Office	1270/c, Mills and Godown Area, Burma Mines, Tata Nagar, Jamshedpur, East Singhbhum, Jharkhand, 831002	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
18.	Ernakulam Office	VI/2125-G, Mattancherry vill, Gujarati Road,Cochin,Ernakulam, Kerala-682002	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
19.	Indore Office	S-104, Shalimar Palms flate, Pipliyahana, Indore, Madhya Pradesh – 452 016	Leased	Commencing from September 1, 2024, for a period of 11 months.
20.	Cuttack Office	Sikharpur, Uppar Sahi, Ps-Malgodown, Dist-Cuttack, Odisha, 753003	Leased	Commencing from July 1, 2017, and valid unless terminated by parties.
21.	Ludhiana Office	B-23-131/2, Industrial Area-A, Cheema Chowk, Ludhiana, Punjab	Leased	Commencing from June 1, 2022, for a period of 3 years.
22.	Jaipur Office	Shop no. 38, Muktanand Nagar, Gopal Pura By-Pass, Jaipur, Rajasthan, 302018	Leased	Commencing from June 1, 2024, for a period of 3 years.
23.	Noida Office	O-1206 A – Amrapali Zodiac – Sector - 120, Noida, Guttam Budh Nagar, Uttar Pradesh	Leased	Commencing from October 1, 2023, for a period of 3 years.
24.	Kolkata Office	369 Block K, New Alipore, Kolkata, West Bengal, 700026	Leased	Commencing from November 1, 2023, for a period of 33 months.
25.	Ahmedabad Office II	Office No 201 to 203, 2nd Floor, ISCON Mall, opp. Bidiwala Park, Satelite Road, Ahmedabad – 380015	Leased	Commencing from January 1, 2024, for a period of 5 years.
26.	Guest House	F-903 Tulip Citadel, Ambawadi, Ahmedabad - 380015	Leased	Commencing from April 1, 2022, for a period of 3 years.
27.	Guest House	Anand Nagar, 100 ft Ring Road, Nr ParhladNagar Garden, Ahmedabad - 380051	Leased	Commencing from April 1, 2022, for a period of 3 years.

COMPETITION

We face competition from domestic as well as overseas companies which either operate in the same line of business as us or offer similar products and services. Our competition varies by market, geographic areas and type of product or service.

We obtain a part of our business through a competitive bidding process in which we compete for projects based on, among other factors, pricing, technological capabilities, and performance, as well as reputation for quality, experience, past track record, and financing capabilities. The competitive bidding process entails managerial time to prepare bids and proposals for contracts and at times requires us to resort to aggressive pricing to be able to be awarded the contracts.

To remain competitive in our markets, we must continuously strive to reduce our costs of production, through automation and innovation and improve our operating efficiencies. Some of our competitors have greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively, or better geographical reach which gives them the ability to quote competitively. However, depending on various factors, and the extent of our presence in the relevant geographical region, we are able to leverage our experience, established relationships and familiarity with the industry to provide cost effective products than our competitors or offer a better value proposition.

For details, see *"Industry Overview*" beginning on page 140.

KEY REGULATIONS AND POLICIES

The following is an overview of the relevant sector specific laws and regulations which are applicable to our business and operations in India. The information detailed below has been obtained from publications available in the public domain. The description of laws and regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. For details of government approvals obtained by our Company, see "Government and Other Approvals" beginning on page 387.

Laws related to our business

National Steel Policy, 2017 ("NSP 2017")

The NSP 2017 covers, *inter alia*, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferroalloys, land, water, power, infrastructure and logistics, and environmental management. The NSP 2017 seeks to enhance domestic steel production with focus on creating a technologically advanced and globally competitive steel industry in India that promotes economic growth. The NSP 2017 aims to create an environment for attaining self-sufficiency in steel production by providing policy support and guidance to private manufacturers. The intent is to strengthen the research and development of national importance in the iron and steel sector by utilizing tripartite synergy among industry, national research and development laboratories and academic institutions.

Steel and Steel Products (Quality Control) Order, 2020 (the "Quality Control Order 2020")

The Steel and Steel Products (Quality Control) Order, 2020, as amended, was notified by the Ministry of Steel, Government of India, to bring certain steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020. The Quality Control Order 2020 further provides that every steel and steel products stated therein shall bear the standard mark under a license from Bureau of Indian Standards as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act establishes Bureau of Indian Standards ("**BIS**") as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

Electricity Act, 2003 (the "Electricity Act")

The Electricity Act is the central legislation which covers, among others, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission ("**CERC**"), the State Electricity Regulatory Commissions ("**SERCs**") or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be. The generating company is required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating company may supply electricity to any licensee or even directly to consumers and have a right to open access, for the purpose of carrying electricity subject to availability of adequate transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the appropriate electricity regulatory commission. In terms of the Electricity Act, 'open' access means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the appropriate electricity regulatory commission. Under the Electricity Act, the appropriate commission shall specify the terms and conditions for the determination of tariff. Pursuant to the powers granted under the Electricity Act, various regulations and guidelines have been framed by the CERC and SERCs for determination of tariff for thermal producers and generation, distribution, transmission, allowing open access, among others. The Electricity (Amendment) Bill, 2014 was introduced to amend certain provisions of the Electricity Act. Among others, the amendment empowers the GoI to establish and review a national tariff policy and electricity policy.

Shops and establishments legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

Environmental laws

The Environment (Protection) Act, 1986 as amended (the "EPA")

The EPA, is an umbrella legislation designed to provide a framework for the Government to co-ordinate the activities of various central and state authorities established under previous laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government of India the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery and examination of manufacturing processes and materials likely to cause pollution.

Environment (Protection) Rules, 1986, as amended (the "Environment Rules")

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. 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 ("**PCB**") an environmental statement for that financial year in the prescribed form.

The Water (Prevention and Control of Pollution) Act, 1974, as amended (the "Water Act")

The Water Act, as amended aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the "Air Act")

The Air Act provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of four months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 as amended (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage, and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" *inter alia* means any which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter, or operator of a disposal facility is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and shall be liable to pay any financial penalty that may be levied by the respective state pollution control board for violation of the Hazardous Waste Rules.

Water (Prevention & Control of Pollution) Cess Act, 1977 (the "Water Cess Act") and Water (Prevention & Control of Pollution) Cess Rules, 1978 (the "Water Cess Rules")

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the central and State PCB for the prevention and control of water pollution constituted under the Water Act. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, *inter alia*, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

Industrial and Labour Related Regulations

In addition to the above legislations that are applicable to our Company in India, other legislations that may be applicable to our operations include:

The Factories Act, 1948 (the "Factories Act")

Factories Act defines a 'factory to cover any premises which employs ten or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are employed in a manufacturing process'. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The Factories Act also provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act. In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

- The Contract Labour (Regulation and Abolition) Act, 1970
- The Employees' Compensation Act, 1923
- The Employees' State Insurance Act, 1948
- The Industrial Disputes Act, 1947
- The Industrial Employment (Standing orders) Act, 1946
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986
- The Payment of Bonus Act, 1965
- The Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- The Equal Remuneration Act, 1976
- Maternity Benefit Act, 1961
- The Apprentices Act, 1961
- The Payment of Gratuity Act, 1972
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Worker's Compensation Act, 1923
- The employment exchange (compulsory notification of vacancies) act, 1960

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- **Code on Wages, 2019**, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, *inter alia*, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

- **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- **Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and proposes to subsume various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others. The Ministry of Labour and Employment has by way of notifications, implemented only certain provisions of the Code on Social Security, 2020, including the repeal of certain provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

- **The Occupational Safety, Health, and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Rules, 1998.

The Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951, as amended (the "I (D&R) Act) has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defence equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector.

An industrial undertaking which is exempt from licensing is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required under the I (D&R) Act.

Foreign Investment Regulations

Foreign Exchange Management Act, 1999 (the "FEMA")

Foreign investment in India is primarily governed by the provisions of FEMA. Pursuant to FEMA, the GoI and the RBI have promulgated various regulations, rules, circulars and press notes in connection with various aspects of foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India.

FEMA Rules

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 ("FEMA Rules") to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment ("FDI") under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

Foreign Trade (Development and Regulation) Act, 1992 (the "FTA")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy, 2015-20 provides that a person or company can make no exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempt. An importer exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

The Foreign Trade Policy, 2023 (the "Foreign Trade Policy")

The Foreign Trade (Development & Regulation) Act, 1992 empowers the Central Government to formulate and announce, by way of a notification, the foreign trade policy from time to time. The Foreign Trade Policy, which came into effect from April 1, 2023, contains provisions relating to export and import of goods and services.

The Foreign Trade Policy provides the general provisions governing imports and exports in India, duty exemption or remission schemes, and policies relating to various export promotion schemes, export-oriented units, electronics hardware technology parks, software technology parks and bio-technology parks, among others.

The Foreign Trade Policy mandates all importers and exporters of goods to obtain Importer Exporter Code ("**IC"**) from the Director General of Foreign Trade ("**DGFT**"). According to the Foreign Trade Policy, exports and imports shall be "free except when regulated by way of 'prohibition', 'restriction' or 'exclusive trading through state trading enterprises' as laid down in the Indian Trade Classification (Harmonised System) for Exports and Imports Items ("**ITC (HS)**"). The import and export policies for all goods are indicated against each item in the ITC (HS). In terms of the Foreign Trade Policy, domestic laws or technical specification or environmental/safety and health laws that are applicable to domestically produced goods shall apply mutatis mutandis on imports unless the same are explicitly exempted. However, goods to be utilised/consumed for manufacture of export products, may be exempted by the DGFT from application of the domestic standards or quality specifications.

The Foreign Trade Policy empowers the DGFT to impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organizations, groups, individuals or products.

Remission of Duties and Taxes on Exported Products Scheme (the "RoDTEP")

RoDTEP scheme was announced by Government of India on September 14, 2019 to boost exports by allowing reimbursement of taxes and duties, which are not refunded under any other scheme. RoDTEP is a combination of the current Merchandise Export from India Scheme and Rebate of State and Central Taxes and Levies and has replaced the other schemes. Earlier, embedded duties and taxes, which are not refunded under any other scheme, range from 1-3%. Under this scheme, rebate of these taxes are given in the form of duty credit/electronic scrip. RoDTEP has been notified on August 17,2021 with retrospective effect from January 1, 2021. As per the notification dated March 8, 2024, the scheme has been extended till September 30, 2024 at the same rates to the existing export items.

Taxation Laws

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 ("**CGST Act**"), relevant state's Goods and Services Act, 2017 ("**SGST Act**"), Union Territory Goods and Services Act, 2017 ("**UTGST Act**"), Integrated Goods and Services Act, 2017 ("**IGST Act**"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 ("**IT Act"**) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

The Customs Act, 1962 as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any Company importing or exporting goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India

Intellectual property laws

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trademark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trademark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trade marks.

Designs Act, 2000 ("DA") and the Designs Rules, 2001 ("DR")

The DA regulates and protects the originality of an article's design and prohibits the piracy of registered designs. The primary objective of the DA is to protect new or original designs from getting copied, and ensure that the creator, originator or artisan of the design is not deprived of their rightful gains for the creation of their design. The central government also drafted the DR under the authority of the DA for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register for designs, classification of goods, address for service, restoration of designs, etc.

Miscellaneous Regulations

The Competition Act, 2002

The Competition Act, 2002 (the "**Competition Act**") as amended, prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "**CCI**") as the authority mandated to implement the Competition Act. The provisions of the Competition Act, relating to combinations were notified on March 4, 2011 and have come into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprises) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as 'Individuals' and 'Group'. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise; or the Board of Directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Approvals from local authorities

Setting up of a factory or manufacturing unit entails the requisite planning approvals to be obtained from the relevant local panchayat(s) outside the city limits and appropriate metropolitan development authority within the city limits. Consents from the state pollution control board(s) and the relevant state electricity board(s), among others, are required to be obtained before commencing the building of a factory or starting manufacturing operations.

Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as "*Manibhai and Brothers (Construction) Private Limited*" a private limited company under the Companies Act, 1956 through a certificate of incorporation dated June 16, 1981, issued by the RoC. Thereafter, the name of the Company was changed to "*M & B Engineering Private Limited*" pursuant to a Board resolution dated September 5, 2006 and a resolution passed in the extra ordinary general meeting of the Shareholders held on November 7, 2006 and consequently a fresh certificate of incorporation dated November 22, 2006 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli to reflect the change in name.

Subsequently, our Company was converted into a public limited company, pursuant to a resolution passed in the extra ordinary general meeting of the Shareholders held on March 24, 2011. Consequently, the word 'Private' was deleted from the name of our Company and the name was changed to "*M & B Engineering Limited*" pursuant to a Shareholders' resolution dated March 24, 2011 and Board resolution dated March 5, 2011. Consequently, a fresh certificate of incorporation dated March 30, 2011 was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli to reflect the change in name.

Changes in Registered Office

The following table sets out the details of the change in registered office of the Company since its date of incorporation:

Date of change of registered office	Details of change in address of our registered office	Reason for change
June 1, 1995	Change in the registered office of the Company from 28, New Brahmakshatriya Society, Ellisbridge, Ahmedabad – 380 006 to M.B. House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad – 380 014, Gujarat, India	With a view to better administrative and other controls, since the new registered office has sufficient space for keeping records and accommodating necessary staff and is centrally located.

Main Objects of our Company

The main objects of our Company contained in its Memorandum of Association are as disclosed below:

1. *To carry on the trade of business of service contractors and engineers in any branch of industry as also manufacturers, builders and contractors of every type and description and to own, control, manage or to erect, construct, maintain, alter, repair, pull down and restore either alone or jointly or in collaboration with any other or others, works of all descriptions in particular Pre engineered Steel Buildings / Roofing, Steel Door & Windows, Gas pipe line, barrages, dams, sluices, locks, embankments, quarries breakwaters, docks, quays, harbors, pixels, wharves, canals, tanks, bridges, aqueducts, reservoirs, irrigation, reclamation, improvement, river works of all kinds, railways, waterways, roads, bridges, warehouses, offices, factories, mills, engines, steel plant, machinery and equipment of every descriptions, gas works, drainage and sewerage works and buildings of every description in and outside the union of India.*

2. *To construct, erect, execute, build, carry out, equip, alter, repair, remodel, decorate, maintain, demolish, develop, improve, maintain, furnish, administer, manage or control, grade, curve, pave, macadamize, cement and maintain buildings, structures, houses, apartments, townships, multi-storey housing/commercial complexes, landscapes, hospitals, schools, places of worship, highway, roads, paths, streets, side ways, seaports, airports, bridges, gardens, flyovers, subways, alleys, pavements and to do other similar constructions, levelling or paving work and to build, construct and repair railways to manufacture for railway or any other Government, local body, private enterprises, any item or parts wholly partially as per their requirement, waterways, electrical/ mechanical, electronic works, tunnels, wharves, canals, reservoirs, embankments, tanks, aqueducts, parts marine drainage, piers, docks, water works, drainage works, light houses, power houses, irrigation, reclamations, sewage, drainage, sanitary, water, waste gas, electric lights, telephonic, telegraphic, television installations and power works, hotels, warehouses, markets, bazaars, places of amusements, pleasure grounds, parks, swimming pools, water sewage and effluent treatment plants, dairies, furnaces, saw mills, crushing works, hydraulic works, tanneries, factories, mills, industrial structures, floor and to do all kinds of excavating, dredging and digging work to make all kinds of iron, steel, wood, glass, machinery, and earth construction, to design, devise, decorate plant model and to furnish labour and all kinds of materials to supervise construction or other work.*

3. *To enter into any arrangement, agreement, contract, sub-contract, lease, sublease with Central or any State Government, department and undertaking, municipality, local authority, corporation, co- operative society, company(s), firm, partnership, person or persons, individual or individuals in furtherance of any objects of the*

Company, to establish branches, depots, work sports, site offices for purposes of carrying out the objects of the company, and to act as consulting engineers, contract engineers, civil engineers, architects, designers, decorators, founders, painter, engravers, masons and structural engineers.

4. *To plan, promote, generate, acquire by purchase in bulk, develop, distribute, and accumulate power by wind, solar, hydro, thermal, atomic, biomass, coal, lignite, gas, ocean energy, geothermal or any other by which energy, power for captive consumption by the Company and / or for consumption by central, state, local or any Government or semi-Government organization.*

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

The amendments to the Memorandum of Association of our Company in the 10 years immediately preceding the date of this Draft Red Herring Prospectus are as detailed below.

Date of Shareholders' Resolution/ Effective Date	Nature of Amendment
June 6, 2024	Clause (V) of the MoA was amended to reflect the increase in authorized share capital from ₹ 750,000,000 (Seventy-Five Crores only) divided into 75,000,000 (Seven Crore Fifty Lakh) Equity Shares of face value of ₹ 10 (Rupees Ten only) each to ₹ 800,000,000 (Eighty Crores only) divided into 75,000,000 (Seven Crore Fifty Lakh) Equity Shares of face value of ₹ 10 (Rupees Ten only) each and 5,000,000 (Fifty Lakh) Preference Shares of face value of ₹ 10 (Rupees Ten only) each.
September 30, 2023	Clause (V) of the MoA was amended to reflect the increase in authorised share capital from ₹ 300,000,000 (Rupees Thirty Crore only) divided into 30,000,000 (Three Crore only) Equity Shares of ₹ 10 (Rupees Ten only) each to ₹ 750,000,000 (Rupees Seventy-Five Crores only) divided into 75,000,000 (Seven Crore Fifty Lakh) Equity Shares of ₹ 10 (Rupees Ten only) each.

Major events and milestones of our Company and its Subsidiaries

The table below sets out some of the major events in the history of our Company and its Subsidiaries:

Calendar Year	Major events and milestones
2013	Phenix Building Solutions Private Limited awarded completion certificate by Tebodin Consultants & Engineers India Private Limited, for successfully completing design, manufacture, supply and erection of the pre-engineered steel building for Gestamp Sungwoo Stamping & Assemblies Private Limited, with an overall built-up area of 17,000 sq. mtr.
2014-2015	Phenix Building Solutions Private Limited awarded certificate of appreciation by Thyssenkrup Industries India Private Limited for achieving 0.26 million LTI free safe man-hours, at CCPP Construction site at Reliance Project Management Group (RPMG), Dahej
2017	Our Company incorporated its wholly owned subsidiary, Phenix Construction Technologies Inc., in USA
2021	Awarded certificate of appreciation by Voltbek Home Appliances Pvt Ltd for achieving 380,000 safe man hours
2021	Our Company was granted certificate of appreciation by Haier North Industrial Park Project, Noida in recognition of our team's contribution and ongoing commitment toward safety, health, and environment which has resulted in achievement of one million safe man hours without lost time injury from the period October, 2019 to March, 2021, during the construction of Haier North Industrial Park Project, Greater Noida
2024	Our company has acquired Phenix Building Solutions Private Limited

Key awards, accreditations, and recognitions received by our Company and Subsidiaries

The table below sets out certain key awards, accreditations, and recognitions received by our Company and Subsidiaries:

Calendar Year	Award/Accreditation/Recognition
2012	Phenix Construction Technologies, awarded certificate of honour for best safety performer of the year in contractor category and contributing in achieving safety excellence during occasion of 41st National Safety Week – 2012, by Adani Hazira Port Pvt Ltd.
2016	Phenix Construction Technologies awarded certificate for best contractor in safety competition on the occasion of 45th national safety day celebration, by Mundra Solar Technopark Private Limited.

Calendar Year	Award/Accreditation/Recognition
2017	Phenix Construction Technologies awarded certificate of safety appreciation by Takenaka India Private Limited for the best safety performance at site Daikin Phase – II Neemrana for the year 2016-2017.
2017	Our Company was awarded certificate of appreciation by SMCC Construction India Limited, for the unique performance and contribution to the environment, health, safety for Green Metal Project, Building No. 3, Techno Trends Avto Park, Vithlapur, Ahmedabad.
2020	Our Company was awarded by Tata Steel Limited, for their excellent work done towards the installation and commissioning of the shed (130 x 104) meter and the gable end (20x104) meter, at Tata Steel Growth Shop, Ghamaria and completion of the building erection, sheeting works as per SOP, discipline and without any single LTI.
2020	Certificate of Safety Appreciation by Takenaka for the best safety improvement at ASTI India Project
2021	Awarded certificate of appreciation for the best HSE Performer for calendar year 2020-21 by Adani Wilmar AWL- Mundra OLEO Chemical Building.
2021	ISO 9001:2015 and ISO 45001: 2018 certificate for design, manufacture, erection and commissioning and sales of pre-engineered steel buildings, complex structures & components.
2022	ISO/IEC 17025: 2017 certificate for 'general requirements for the competence of testing and calibration laboratories' for our facility at plot no. 30P, Village Naranpura, Ahmedabad, Gujarat, India.
2023	Our Company was awarded certificate of appreciation by Zydus Pharmaceuticals Limited, for supply and erection of pre-engineering building for Zydus Pharmaceuticals Limited, Pharm SEZ Matoda, Gujarat. Pharm SEZ.
2024	Our Company was granted certificate of appreciation by Toyota Forms India Private Limited, for supply and erection of pre-engineering building for Toyota Forms India Private Limited, Bavla, Gujarat.
2024	Phenix Building Solutions Private Limited awarded certificate of achievement in recognition of achieving monthly HSE audit benchmark consistently in construction jobs of PV Solar Project at Jamnagar by Reliance Industries Limited.
2024	Membership certificate from the Confederation of Indian Industry, to certify our Company's annual membership of Indian Green Building Council.
2023/2024	Phenix Construction Technologies awarded Best Performing Business Partner by Voltas.

Other Details Regarding our Company

Significant financial and/or strategic partnerships

Our Company does not have any significant financial and strategic partners as of the date of this Draft Red Herring Prospectus.

Defaults or rescheduling of borrowings from financial institutions or banks

As on date of this Draft Red Herring Prospectus, no payment defaults or rescheduling have occurred in relation to any borrowings availed by our Company from any financial institutions or banks in the last ten years prior to filing of this Draft Red Herring Prospectus.

Time and cost overruns in setting up projects

As on date of this Draft Red Herring Prospectus, there have been no time and cost over-runs in respect of our business operations.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets and capacity/facility creation to the extent applicable, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 188 and 347, respectively.

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Joint Ventures and Associate Companies

As of the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years

Except as stated below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years immediately preceding the date of this Draft Red Herring Prospectus.

***Acquisition and divestment of our stake in Modtech Machines Private Limited ("Modtech")*:**

Our Company acquired 51% stake in the equity share capital of Modtech, for a total consideration of ₹52.09 million, pursuant to a revised memorandum of understanding dated January 29, 2021, amending the original memorandum of understanding dated October 7, 2020, entered into between our Company, Modtech, Malav Patel, Chirag Patel, and Kishansinh Gohil. Our Company also entered into a Joint Venture-cum-Shareholders Agreement dated May 18, 2021, with Kishansinh Gohil, which set out the terms and conditions for acquisition of additional equity shares of Modtech and governing the management of the affairs of Modtech.

Subsequently, our Company entered into a Share Purchase-Cum-Shareholders Agreement ("**SPSHA**") dated May 24, 2023, with Varun Gajjar, Modtech, and Kishansinh Gohil. By way of this SPSHA, Varun Gajjar acquired the entire 51% stake held by our Company in the equity share capital of Modtech.

***Acquisition of stake in Phenix Building Solutions Private Limited*:**

On March 7, 2024, our Company, along with Malav Girishbhai Patel as the nominee shareholder of our Company, acquired 50,000 equity shares in Phenix Building Solutions Private Limited, for an aggregate consideration of ₹132.70 million.

***Divestment of stake in Phenix Engineering Services Private Limited (formerly known as Phenix Building Services Private Limited)*:**

On March 7, 2024, our Company divested its entire stake of 50,000 equity shares in Phenix Engineering Services Private Limited (*formerly known as Phenix Building Services Private Limited*) to the acquirers/ transferees (Aditya Vipinbhai Patel, Birva Chirag Patel, Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Leenaben Vipinbhai Patel, Umaben Girishbhai Patel, Vipinbhai Kantilal Patel and Malav Girishbhai Patel), for an aggregate consideration of ₹0.50 million.

Shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting agreements entered into by and between our Company and Shareholders of our Company.

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority/ public shareholders of the Company. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholder agreements, inter-se agreements or agreements of like nature, other than as disclosed in this Draft Red Herring Prospectus.

Agreements with Key Managerial Personnel, Senior Management, Directors, Promoters, or any other employee

There are no agreements entered into by our Promoters, Key Managerial Personnel, Senior Management or Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Other than as disclosed above, our Company is not a party to any other agreements, including any deed of assignments, acquisition agreements, shareholders' agreements, inter-se agreements/arrangements or agreements of like nature, with respect to securities of our Company. Further, we confirm there are no other inter-se agreements, arrangements and clauses or covenants which our Company is a party to, in relation to securities of our Company, which are material, adverse or pre-judicial to the interest of the minority/ public shareholders or which may have a bearing on the investment decision.

Guarantees given by the Promoters participating in the Offer for Sale

Our Promoters, namely Girish Manibhai Patel, Chirag Hasmukhbhai Patel, Vipinbhai Kantilal Patel and Malav Girishbhai Patel, , have issued personal guarantees in relation to loans availed by our Company and its Subsidiaries. Set out below are the details of the said personal guarantees:

[Remainder of the page intentionally left blank]

In relation to the facilities availed by the Company:

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	ICICI Bank Limited	Working Capital facilities including fund based and non fund based limits sanction letter dated, August 3, 2023	750.00	First pari passu charge for working capital fund based and non-fund based facilities on immovable property, current asset and movable fix assets of the company except fixed assets for Cheyyar Plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining working capital facilities including fund based and non fund based limits with respect to sanction letter dated August 3, 2023	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Standard Chartered Bank	Working Capital facilities including fund based and non fund based limits sanction letter dated, June 12, 2024	825.00	First pari passu charge for working capital fund based and non-fund based facilities on immovable property, current asset and movable fix assets of the company except fixed assets for Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Working Capital facilities including fund based and non fund based limits with respect to sanction letter dated June 12, 2024	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	HDFC Bank Limited	Working Capital facilities including fund based and non fund based limits sanction letter dated, September 26, 2023	750.00	First pari passu charge for working capital fund based and non-fund based facilities on immovable property, current asset and movable fix assets of the company except fixed assets for Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Working Capital facilities including fund based and non fund based limits with respect to sanction letter dated September 26, 2023	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Kotak Mahindra Bank Limited	Working Capital facilities including fund based and non fund based limits- sanction letter dated May 16, 2024	863.00	First pari passu charge for working capital fund based and non-fund based facilities on immovable property, current asset and movable fix assets of the company except fixed assets for Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Working Capital facilities including fund based and non fund based limits with respect to sanction letter May 16, 2024	NIL
Chirag Hasmukhbhai	Bank of	Working Capital	383.00	First pari passu charge for working	To the extent of	To the extent of	For obtaining	NIL

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Baroda	facilities including fund based and non fund based limits sanction letter dated, August 22, 2023		capital fund based and non-fund based facilities on immovable property, current asset and movable fix assets of the company except fixed assets for Cheyyar plant, Chennai	repayment of facility used by Company	personal guarantee in terms of repayment if the Company defaults	Working Capital facilities including fund based and non fund based limits with respect to sanction letter dated August 22, 2023	
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Axis Bank	Working Capital facilities including fund based and non fund based limits sanction dated, February 22, 2024	329.00	First pari passu charge for working capital fund based and non-fund based facilities for immovable property, current asset and movable fix assets except Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Working Capital facilities including fund based and non fund based limits with respect to sanction letter dated February 22, 2024	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Standard Chartered Bank	Term loan sanction letter dated January 5, 2024	200.00	First pari passu charge on movable fix assets & immovable property of Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Term Loan facility with respect to sanction letter dated January 5, 2024	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	HDFC Bank Limited	Term loan sanction letter dated January 22, 2024	200.00	First pari passu charge on movable fix assets & immovable property of Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Term Loan facility with respect to sanction letter dated January 22, 2024	NIL
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel, Malav Girishbhai Patel	Kotak Mahindra Bank Limited	Term loan sanction letter dated January 29, 2024	200.00	First pari passu charge on movable fix assets & immovable property of Cheyyar plant, Chennai	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Term Loan facility with respect to sanction letter dated January 29, 2024	NIL

In relation to the facilities availed by the Phenix Building Solutions Private Limited:

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Vipinbhai Kantilal Patel	Standard Chartered Bank	Working capital non fund based limits sanction letter dated, June 12, 2024	200.00	Equitable mortgage on immovable property i.e.F-903, Tulip Sitadel, Ahmedabad and Property at 403-A & 403-B "Shikhar Building", Survey no. 104, Village-Khoda, Sanand, Survey No. 435/2, Village - Moraiya - All properties owned by Group Concerns	To the extent of repayment of facility used by Company	To the extent of personal guarantee in terms of repayment if the Company defaults	For obtaining Working Capital non fund based limits with respect to sanction letter dated June 12, 2024	NIL

The abovementioned guarantees have been issued in connection with loans availed by our Company and its Subsidiaries. Pursuant to the terms of the guarantees, the obligation of our Promoters includes repayment of the guaranteed sum in case of default by the Company and its Subsidiaries. The financial implications in case of default by the Company and its Subsidiaries are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is to be repaid by the Company and its Subsidiaries.

OUR SUBSIDIARIES

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has two Subsidiaries, the details of which are below.

Indian Subsidiary

1. Phenix Building Solutions Private Limited.

Foreign Subsidiaries

1. Phenix Construction Technologies Inc.

Set out below are the details of our Subsidiaries.

Indian Subsidiary

1. Phenix Building Solutions Private Limited ("**PBSPL**")

Corporate Information

PBSPL was incorporated as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 2, 2007 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Its CIN is U45201GJ2007PTC052112, and its registered office is situated at M. B. House, 51, Chandrodaya Society, Opp. Golden Triangle, Stadium Road, Ahmedabad – 380014, Gujarat.

Nature of business

PBSPL is engaged in the business of purchase, sale and erection of pre engineered buildings and steel structure.

Capital structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital of ₹ 25,00,000	2,50,000
Issued, subscribed and paid-up equity share capital of ₹ 5,00,000	50,000

Shareholding pattern

The shareholding pattern of PBSPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
M & B Engineering Limited	49,999	99.99
Malav Girishbhai Patel (Nominee of M & B Engineering Limited)	1	Negligible
Total	**50,000**	**100.00**

Summary of financials

The summary of PBSPL's financials as on the date of this Draft Red Herring Prospectus is as follows:

(in ₹ million)

Fiscal	Equity capital	Reserves or surplus or other equity	Revenue from operations	Profit/ (loss) after tax	Earnings per share (basic) (in ₹)	Earnings per share (diluted) (in ₹)
Fiscal 2024	0.50	142.28	2075.67	47.88	957.64	957.64
Fiscal 2023	0.50	94.40	2907.40	22.97	459.46	459.46
Fiscal 2022	0.50	71.42	2475.94	18.21	364.20	364.20

Foreign Subsidiaries

1. Phenix Construction Technologies Inc. ("**PCTI**")

Corporate Information

PCTI was incorporated as a company on June 9, 2017, under laws of the State of Delaware, pursuant to a certificate of incorporation by American Incorporators Ltd. Its registered office is situated at 1013 Centre Rd. Suite 403-A, Wilmington DE 19805, County of New Castle.

Nature of business

PCTI is engaged in the business of trading of pre-engineered building and steel structure.

Capital structure

Particulars	**No. of shares of face value of USD 10 each**
Authorised share capital of USD 50,000	5,000
Issued, subscribed and paid-up share capital of USD 25,000	2,500

Shareholding pattern

The shareholding pattern of PCTI as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	**No. of shares (of USD 10 each) held**	**Percentage of total capital (%)**
M & B Engineering Limited	2,500	100
Total	**2,500**	**100**

Summary of financials

The summary of PCTI's financials as on the date of this Draft Red Herring Prospectus is as follows:

(in ₹ million)

Fiscal Year	**Equity capital**	**Reserves or surplus or other equity**	**Revenue from operations**	**Profit/ (loss) after tax**	**Earnings per share (basic) (in ₹)**	**Earnings per share (diluted) (in ₹)**
Fiscal 2024	2.09	(93.66)	120.81	(28.99)	(11,592.68)	(11,592.68)
Fiscal 2023	2.05	(81.52)	354.19	(46.54)	(18,616.10)	(18,616.10)
Fiscal 2022	1.90	(52.46)	10.41	(25.90)	(10,361.64)	(10,361.64)

Common pursuits

Except our Subsidiaries, PBSPL and PCTI which are engaged in the same line of business as that of our Company, there are no common pursuits between our Subsidiaries and our Company.

Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise. Our Company has not encountered any such instances of conflict in the past.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries, which are not accounted for by our Company.

Business interest between our Company and our Subsidiaries

None of our Subsidiaries have any business interest in our Company other than as stated in *"Our Business"* and "*Other Financial Information - Related Party Transactions*", on pages 188 and 346 respectively.

Other confirmations

Listing

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of our Subsidiaries been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors, or such higher number as determined by our Company after passing a special resolution in its general meeting.

As of the date of this Draft Red Herring Prospectus, our Board comprises of 12 Directors, of whom five are Executive Directors, one is a Non-Executive Director and six are Independent Directors (including one-woman Independent Director).

The following table sets out details regarding our Board as of the date of this Draft Red Herring Prospectus:

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Chirag Hasmukhbhai Patel ***DIN***: 00260514 ***Designation***: Chairman and Joint Managing Director ***Date of birth***: March 26, 1971 ***Address:*** Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi, Ahmedabad, Bopal, Gujarat - 380 058 ***Occupation***: Business ***Current term***: For a period of three years from April 1, 2023 to March 31, 2026 ***Period of directorship***: Since May 1, 1993	53	***Indian Companies:*** • Maxim Finance Private Limited • Shrinathji Prestressed Private Limited • Giriraj Prestressed Private Limited • Azkka Pharmaceuticals Private Limited • Phenix Building Solutions Private Limited • Phenix Engineering Services Private Limited ***Foreign Companies:*** NIL
Malav Girishbhai Patel ***DIN***: 00260602 ***Designation***: Joint Managing Director ***Date of birth***: October 20, 1976 ***Address:*** Nisarg Bunglow, Spring Valley Road, Behind Karnavati Club, S.G. Highway, Daskroi, Ahmedabad, Gujarat – 380 058 ***Occupation***: Business ***Current term***: For a period of three years from April 1, 2023 to March 31, 2026 ***Period of directorship***: Since February 1, 2001	47	***Indian Companies:*** • Maxim Finance Private Limited • Shrinathji Prestressed Private Limited • Giriraj Prestressed Private Limited • Azkka Pharmaceuticals Private Limited • Phenix Building Solutions Private Limited • Phenix Engineering Services Private Limited ***Foreign Companies:*** • Phenix Construction Technologies Inc
Vipinbhai Kantilal Patel ***DIN***: 00260734 ***Designation***: Non-Executive Director ***Date of birth***: March 17, 1948 ***Address:*** 2, Nandanvan, Nr. Shaym Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059	76	***Indian Companies:*** • Azkka Pharmaceuticals Private Limited • Shrinathji Prestressed Private Limited • Giriraj Prestressed Private Limited • L V Finance Private Limited

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Occupation: Business ***Current term***: Liable to retire by rotation ***Period of directorship***: Since December 31, 1984		• Maxim Finance Private Limited • Phenix Building Solutions Private Limited • Phenix Engineering Services Private Limited ***Foreign Companies:*** NIL
Girishbhai Manibhai Patel ***DIN***: 00261624 ***Designation***: Whole-time Director ***Date of birth***: August 31, 1947 ***Address:*** Nisarg, Opp. Ace Tenis Club, B/h Karnavati Club, Mumatpura, Daskroi, Bopal, Ahmedabad, Gujarat – 380 058 ***Occupation***: Business ***Current term***: For a period of three years from April 1, 2023 to March 31, 2026, liable to retire by rotation ***Period of directorship***: Since December 31, 1984	77	***Indian Companies:*** • Maxim Finance Private Limited • Shrinathji Prestressed Private Limited • Giriraj Prestressed Private Limited • Azkka Pharmaceuticals Private Limited • Phenix Building Solutions Private Limited • Phenix Engineering Services Private Limited ***Foreign Companies:*** NIL
Aditya Vipinbhai Patel ***DIN***: 07103812 ***Designation***: Whole-time Director ***Date of birth***: October 11, 1984 ***Address:*** 2, Nandanvan, Nr. Shayam Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059 ***Occupation***: Business ***Current term***: For a period of 3 years from April 2, 2024, liable to retire by rotation ***Period of directorship***: Since April 2, 2024	39	***Indian Companies:*** • Phenix Engineering Services Private Limited • Phenix Building Solutions Private Limited • Azkka Pharmaceuticals Private Limited • L V Finance Private Limited ***Foreign Companies:*** NIL
Birva Chirag Patel ***DIN***: 07203299 ***Designation***: Whole-time Director ***Date of birth***: June 2, 1973 ***Address:*** Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi, Ahmedabad, Bopal, Gujarat - 380 058 ***Occupation***: Business ***Current term***: For a period of three years from April 2,	51	***Indian Companies:*** • Indianoil Adani Ventures Limited • Kutch Copper Limited • IOT Utkal Energy Services Limited • Adani Tracks Management Services Limited • Adani Krishnapatnam Port Limited • Adani Hazira Port Limited

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
2024, liable to retire by rotation ***Period of directorship***: Since April 2, 2024		• Adani Transmission (India) Limited • Maharashtra Easter Grid Power Transmission Company Limited • Adani Infra (India) Limited ***Foreign Companies:*** NIL
Birju Maheshbhai Patel ***DIN****:* 06803409 ***Designation***: Independent Director ***Date of birth****:* October 26, 1971 ***Address:*** Flat No. 1001, New Madhuvan Society, 81-B, Saraswati Road, Behind H.D.F.C. Bank, Santacruz (West), Mumbai, Maharashtra – 400 054 ***Occupation***: Business ***Current term****:* For a period of five years from June 6, 2024 ***Period of directorship***: Since June 1, 2019	52	***Indian Companies:*** Phenix Building Solutions Private Limited ***Foreign Companies:*** NIL
Sanjay Shaileshbhai Majmudar ***DIN****:* 00091305 ***Designation***: Independent Director ***Date of birth****:* March 21, 1963 ***Address:*** 24, Sumadhur Society, Near Nehrunagar Society, S M Road, Ambawadi, Manekbag, Ahmadabad City, Gujarat – 380 015 ***Occupation***: CA Practice ***Current term****:* For a period of five years from December 26, 2020 ***Period of directorship***: Since April 1, 2011	61	***Indian Companies:*** • Senores Pharmaceuticals Limited • AIA Engineering Limited • Ashima Limited • Welcast Steels Limited ***Foreign Companies:*** • Vega Industries (Middle East) FZC
Hemant Ishwarlal Modi ***DIN****:* 00171161 ***Designation***: Independent Director ***Date of birth****:* June 23, 1955 ***Address:*** 363-A, Lane-18, Satyagrah Chhavni, Soc, Satellite Road, Ambawadi Vistar, Ahmadabad, Gujarat, 380015 ***Occupation***: Business ***Current term****:* For a period of 5 years from April 2, 2024	69	***Indian Companies:*** • JMC Mining and Quarries Limited • Renosen Pharmaceuticals Private Limited ***Foreign Companies:*** NIL

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Period of directorship: Since April 2, 2024		
Udayan Dileep Choksi ***DIN**:* 02222020 ***Designation***: Independent Director ***Date of birth**:* January 14, 1976 ***Address:*** E-7, Sea Face Park, 50, B Desai Road, Breach Candy Hospital, Breach Candy, Cumballa Hill, Mumbai, Maharashtra, 400026 ***Occupation***: Advocate ***Current term**:* For a period of 5 years from April 2, 2024 ***Period of directorship***: Since April 2, 2024	48	***Indian Companies:*** • Universal Trustees Private Limited • Apcotex Industries Limited • Bhavnagar Port Infrastructure Private Limited • Senores Pharmaceuticals Limited • Ratnatris Pharmaceuticals Private Limited ***Foreign Companies:*** NIL
Subir Kumar Das ***DIN**:* 02237356 ***Designation***: Independent Director ***Date of birth**:* November 18, 1953 ***Address:*** J/602, Iscon Platinum, Bopal-Ambli Road, Bopal, Ahmedabad, Gujarat – 380 058 ***Occupation***: Corporate Trainer (Self-employed) ***Current term**:* For a period of 5 years from April 2, 2024 ***Period of directorship***: Since April 2, 2024	70	***Indian Companies:*** • Troikaa Pharmachem Private Limited • Transformers and Rectifiers (India) Limited • Troikaa Pharmaceuticals Limited • Dishman Carbogen Amcis Limited • IRM Enterprises Private Limited ***Foreign Companies:*** NIL
Sonal Vimal Ambani ***DIN**:* 02404841 ***Designation***: Independent Director ***Date of birth**:* April 19, 1959 ***Address:*** Vimal House, Navrangpura, Ahmedabad – 380 014 ***Occupation***: Sculptor ***Current term**:* For a period of 5 years from April 2, 2024 ***Period of directorship***: Since April 2, 2024	65	***Indian Companies:*** • Elecon Engineering Company Limited • Fairchem Organics Limited • Carysil Limited • Sternhagen Bath Private Limited • Carysil Ceramictech Limited • Carysil Steel Limited • Anjali Fiscal Private Limited • Carysil Online Limited ***Foreign Companies:*** NIL

Brief Profiles of our Directors

Chirag Hasmukhbhai Patel is the Chairman and Joint Managing Director of our Company. He oversees overall operations including techno commercial and strategic functions in the Company. He holds a bachelor's degree in civil engineering from Gujarat University. He has been associated with our Company since May 1, 1993.

Malav Girishbhai Patel is the Joint Managing Director of our Company. He manages sales and marketing, human capital and administration in the Company. He holds a bachelor's degree in science (economics and business administration) from Saint Mary's College of California. He has been associated with our Company since February 1, 2001.

Vipinbhai Kantilal Patel is a Non-Executive Director of our Company. He has steered the Group's finance and administration. He holds a bachelor's degree in commerce from H.L. Commerce College, Gujarat University. He is also an inter-chartered accountant. He has been associated with our Company since December 31, 1984. He has been previously associated with Mahendra Mills Limited as an internal auditor.

Girishbhai Manibhai Patel is a Whole-time Director of our Company. He holds a diploma in diesel mechanisms from John C. Calhoun State Technical School, Decatur, Alabama. He has been associated with our Company since December 31, 1984.

Aditya Vipinbhai Patel is a Whole-time Director of our Company. He has been heading the domestic and international business activities over the last 12 years and has played a crucial role in taking the brand Phenix to an international level. He holds a bachelor's degree in engineering in electronics and communications from Dharmsinh Desai University and a master's degree in business administration from Lubin School of Business, Pace University. He has been associated with our Company since April 1, 2011.

Birva Chirag Patel is a Whole-time Director of our Company. She manages the commercial and compliance functions in the Company. She holds a bachelor's degree in commerce from H.L. Commerce College, Gujarat University. She is an associate member of the Institute of Company Secretaries of India. She has been associated with our Company since November 1, 2008. She was previously associated with Adani Enterprises Limited as a deputy manager.

Birju Maheshbhai Patel is an Independent Director of our Company. He holds a bachelor's degree in electrical engineering from Sardar Patel University. He has been associated with our Company since June 1, 2019. He was a member of the American Society of Heating, Refrigeration and Air conditioning Engineer (ASHRAE) and is a member of Indian Society of Heating, Refrigeration and Air conditioning Engineer (ISHRAE). He also established his own firm MEP Consulting Engineers. He also serves as a Director on board of our material subsidiary Phenix Building Solutions Private Limited.

Sanjay Shaileshbhai Majmudar is an Independent Director of our Company. He holds a bachelor's degree in commerce and a bachelor's degree in law, both from Gujarat University. He is a chartered accountant and a member of the Institute of Chartered Accountants of India. He has been associated with our Company since April 1, 2011. He is also associated with Sanjay Majmudar & Associates as a proprietor and Parikh & Majmudar as a partner.

Hemant Ishwarlal Modi is an Independent Director of our Company. He holds a bachelor's degree in civil engineering from The Maharaja Sayajirao University of Baroda and has completed a master's degree in science (civil engineering) from Rutgers State University. He has been associated with our Company since April 2, 2024. He has been previously associated with JMC Projects (India) Limited (Now amalgamated with Kalpataru Projects International Limited) as a vice chairman and managing director and Sai Consulting Engineers Private Limited, as a Director.

Udayan Dileep Choksi is an Independent Director of our Company. He holds a bachelor's degree in science (with honours) in economics from the University of Warwick. He is also a chartered accountant. He has been associated with our Company since April 2, 2024. He is a practicing advocate registered with the bar council of Maharashtra and Goa. He is currently a partner at Khaitan & Co.

Subir Kumar Das is an Independent Director of our Company. He holds a master's degree in science from Lucknow University and a master's degree in management studies from Kashi Hindu Vishwavidyalaya. He is an associate of the Indian Institute of Bankers. He has been associated with our Company since April 2, 2024. He has been previously associated with Bank of Baroda as an advisor and as a chief general manager.

Sonal Vimal Ambani is an Independent Director of our Company. She holds a degree of doctor of philosophy (commerce) from Gujarat University. She has been associated with our Company since April 2, 2024. She has been previously associated with Morgan Stanley Dean Witter as a Vice President. She has also been a chairperson of FICCI FLO, Ahmedabad. She has received a certificate of appreciation for her contribution towards the society in the field of art (sculpture) by Times Power Women, 2019.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of Directors	Relationship
1.	Malav Girishbhai Patel (Joint Managing Director) and Girishbhai Manibhai Patel (Whole-time Director)	Father-son
2.	Chirag Hasmukhbhai Patel (Chairman & Joint Managing Director) and Birva Chirag Patel (Whole Time Director)	Spouse
3.	Aditya Vipinbhai Patel (Whole Time Director) and Vipinbhai Kantilal Patel (Non-Executive Director)	Father-son

Except as stated above and as disclosed in "*Our Management – Relationship among Key Managerial Personnel and/or Senior Management Personnel*", our Directors are not related to any of the Key Managerial Personnel and Senior Management Personnel of our Company.

No consideration, either in cash or shares or in any other form has been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors were appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

Other than the statutory benefits available to the Executive Directors, none of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, Section 179, Section 180(1)(a) and other applicable provisions of the Companies Act, our Shareholders have pursuant to a special resolution passed at their meeting dated September 30, 2014, authorised the creation by the Board of Directors on behalf of the Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lenders on all or any of the movable and immovable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities/ external commercial borrowing/ debentures/ any other form of finance, etc. not exceeding ₹10,000 million at any one point of time from the financial institutions/ banks and other agencies/ parties/ person with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/ or charges already created or to be created in future by the Company in such manner as may be though expedient by the Board of Directors.

Terms of Appointment of the Executive Directors of our Company

Chairman and Joint Managing Director

Chirag Hasmukhbhai Patel

Chirag Hasmukhbhai Patel is the Chairman and Joint Managing Director of our Company and has been associated with our Company since May 1, 1993. He was reappointed as the Managing Director of our Company pursuant to the resolution passed by our Board at its meeting dated February 25, 2023 and the special resolution passed by our Shareholders' on March 25, 2023 for a period of three years with effect from April 1, 2023. He was then redesignated as Chairman and Joint Management Director of our Company pursuant to the resolution passed by our Board at its meeting dated March 07, 2024.

Further, pursuant to the resolution passed by the Board on February 10, 2024 and the resolution passed by the Shareholders' on March 7, 2024, he is entitled the following remuneration and perquisites with effect from March 7, 2024 for his remaining term till March 31, 2026:

Sr. No.	Category	Remuneration per annum
1.	Basic salary	₹31,500,000 per annum
2.	Perquisites	Contribution to provident fund, superannuation fund @ 15% of salary and annuity fund to the extent these are singly or together not taxable under the Income Tax Act, 1961.
		Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
		Encashment of leave at the end of the tenure.
		Reimbursement of medical expenses for himself and family.
		Free use of Company's car for Company's business and free telephone facility at residence.
		Leave travel concession for himself and family once in a year as per rules of Company.

Malav Girishbhai Patel

Malav Girishbhai Patel is the Joint Managing Director of our Company and has been associated with our Company since February 1, 2001. He was reappointed as the Managing Director of our Company pursuant to the resolution passed by our Board at its meeting dated February 25, 2023 and the special resolution passed by our Shareholders' on March 25, 2023 for a period of three years with effect from April 1, 2023. He was then redesignated as Joint Management Director of our Company pursuant to the resolution passed by our Board at its meeting dated March 7, 2024.

Further, pursuant to the resolution passed by the Board on February 10, 2024 and the resolution passed by the Shareholders' on March 7, 2024, he is entitled to the following remuneration and perquisites with effect from March 7, 2024 for his remaining term till March 31, 2026:

Sr. No.	Category	Remuneration per annum
1.	Basic salary	₹22,500,000 per annum
2.	Perquisites	Contribution to provident fund, superannuation fund @ 15% of salary and annuity fund to the extent these are singly or together not taxable under the Income Tax Act, 1961.
		Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
		Encashment of leave at the end of the tenure.
		Reimbursement of medical expenses for himself and family.
		Free use of Company's car for Company's business and free telephone facility at residence.
		Leave travel concession for himself and family once in a year as per rules of Company.

Whole-time Directors

Girishbhai Manibhai Patel

Girishbhai Manibhai Patel is the Whole-time Director of our Company and has been associated with our Company since December 31, 1984. He was reappointed as the Director-Technical of our Company pursuant to the resolution passed by our Board at its meeting dated February 25, 2023 and the special resolution passed by our Shareholders' on March 25, 2023 for a period of three years with effect from April 1, 2023. His nomenclature was changed to Whole Time Director of our Company pursuant to the resolution passed by our Board at its meeting dated March 7, 2024.

Further, pursuant to the resolution passed by the Board on February 10, 2024 and the resolution passed by our Shareholders on March 7, 2024 he is entitled to the following remuneration and perquisites with effect from March

Sr. No.	Category	Remuneration
1.	Basic salary	₹22,500,000 per annum
2.	Perquisites	Contribution to provident fund, superannuation fund @ 15% of salary and annuity fund to the extent these are singly or together not taxable under the Income Tax Act, 1961.
		Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
		Encashment of leave at the end of the tenure.
		Reimbursement of medical expenses for himself and family.
		Free use of Company's car for Company's business and free telephone facility at residence.
		Leave travel concession for himself and family once in a year as per rules of Company.

Aditya Vipinibhai Patel

Aditya Vipinbhai Patel is the Whole-time Director of our Company and has been associated with our Company since April 2, 2024.

Further, pursuant to the resolution passed by our Shareholders on April 2, 2024 he is entitled to the following remuneration and perquisites with effect from April 2, 2024:

Sr. No.	Category	Remuneration
1.	Basic salary	₹1,00,00,000 per annum
2.	Perquisites	Contribution to provident fund, superannuation fund @ 15% of salary and annuity fund to the extent these are singly or together not taxable under the Income Tax Act, 1961.
		Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
		Encashment of leave at the end of the tenure.
		Reimbursement of medical expenses for himself and family.
		Free use of Company's car for Company's business and free telephone facility at residence.
		Leave travel concession for himself and family once in a year as per rules of Company.

Birva Chirag Patel

Birva Chirag Patel is the Whole-time Director of our Company and has been associated with our Company since April 2, 2024.

Further, pursuant to the resolution passed by our Shareholders on April 2, 2024 she is entitled to the following remuneration and perquisites with effect from April 2, 2024:

Sr. No.	Category	Remuneration
1.	Basic salary	₹1,25,00,000 per annum
2.	Perquisites	Contribution to provident fund, superannuation fund @ 15% of salary and annuity fund to the extent these are singly or together not taxable under the Income Tax Act, 1961.
		Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
		Encashment of leave at the end of the tenure.
		Reimbursement of medical expenses for herself and family.
		Free use of Company's car for Company's business and free telephone facility at residence.
		Leave travel concession for herself and family once in a year as per rules of Company.

Our Company has paid the following remuneration to our Executive Directors in Fiscal 2024:

S. No.	Name of Director	Total remuneration (*in ₹ million*)
1.	Chirag Hasmukhbhai Patel	26.27
2.	Malav Girishbhai Patel	17.34
3.	Girishbhai Manibhai Patel	16.95
4.	Aditya Vipinbhai Patel	6.96
5.	Birva Chirag Patel	9.53
6.	Vipinbhai Kantilal Patel*	1.07

* *Vipinbhai Kantilal Patel, resigned from the position of Director- Finance and chief financial officer of our Company and was redesignated as Non- Executive director on March 7, 2024. He was paid remuneration for his term of Director- Finance and chief financial officer.*

Terms of appointment of our Non-Executive Directors and Independent Directors

Our Non-Executive Directors may be entitled to receive sitting fees, as determined by our Board from time to time, for attending meeting of our Board and committees of the Board thereof.

Pursuant to a Board resolution dated March 7, 2024, Vipinbhai Kantilal Patel, our Non-Executive Director, and Independent Directors are entitled to receive sitting fees of ₹0.02 million for attending each meeting of the Board and ₹0.01 million for attending each meeting of the Committees of our Board.

Vipinbhai Kantilal Patel, our Non-Executive Director was paid a total remuneration of ₹ 1.07 million in Fiscal 2024, in his earlier capacity as Director-Finance and chief financial officer and then he was reappointed as the Non-Executive Director for which he has not received any sitting fees during Fiscal 2024. Our Independent Directors, Hemant Ishwarlal Modi, Udayan Dileep Choksi, Subir Kumar Das and Sonal Vimal Ambani were appointed on April 2, 2024 and were accordingly not paid any sitting fees for Fiscal 2024 by our Company. However, Birju Maheshbhai Patel and Sanjay Shaileshbhai Majmudar were paid the following sitting fees for Fiscal 2024:

S. No.	Name of Director	Sitting Fees (*in ₹ million*)
1.	Birju Maheshbhai Patel	Nil
2.	Sanjay Shaileshbhai Majmudar	Nil

Remuneration paid or payable to our Directors by Subsidiaries

None of our directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Subsidiaries for the Fiscal Year 2024.

Contingent or Deferred Compensation to our Directors

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

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, as on date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company:

Sr. No.	Name of Director	Number of Equity Shares	Percentage shareholding (%)
1.	Chirag Hasmukhbhai Patel	17,495,000	34.99
2.	Malav Girishbhai Patel	1,000,000	2.00
3.	Vipinbhai Kantilal Patel (held jointly with Leenaben Vipinbhai Patel)	2,499,000	5.00
4.	Girishbhai Manibhai Patel	19,490,000	38.98
5.	Aditya Vipinbhai Patel	1,499,000	3.00
6.	Birva Chirag Patel	5,000,000	10.00

Bonus or profit-sharing plan of our Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Interests of our Directors

All our Non-Executive Directors as applicable may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees, the reimbursement of expenses payable to them, and commission as approved by our Board from time to time.

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company or our Subsidiaries. Our Independent Directors are interested to the extent of the sitting fees, if any. Further, certain of our Directors are also on the board of our Subsidiaries.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. Further, our Directors may be interested to the extent of employee stock options that may be granted to them from time to time under the M&B ESOP Plan 2024 and any other employee stock option schemes that may be formulated by our Company from time to time.

Except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Directors have any conflict of interest with our suppliers/vendors and third-party service providers which are crucial for the operations of our Company.

Further, except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Directors have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company.

Certain of our Directors, namely, Chirag Hasmukhbhai Patel, and Vipinbhai Kantilal Patel have also provided loans to our Subsidiary, Phenix Building Solutions Private Limited. For further details in relation to such loans, please see "*Risk Factors - Our Subsidiaries have availed certain unsecured borrowings which are repayable on demand. Any such demand may adversely affect our business, cash flows, financial condition and results of operations*" on page 41.

Further, certain of our Directors, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Vipinbhai Kantilal Patel, Girishbhai Manibhai Patel, Aditya Vipinbhai Patel, Birju Maheshbhai Patel are on the board of our Material Subsidiary. Malav Girishbhai Patel is also on the board of our subsidiary, Phenix Construction Technologies Inc. Accordingly our Directors may be deemed to be interested to the extent of the sitting fees, commission and remuneration payable to them by such Subsidiaries.

Interest of Directors in the promotion or formation of our Company

Except Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Vipinbhai Kantilal Patel, Birva Chirag Patel and Aditya Vipinbhai Patel who are the Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus. Also see, "*Our Promoters and Promoter Group*" on page 266.

Interest in land and property

Except as disclosed below, our Directors, do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Certain of our Directors, are interested in properties leased to our Company, namely, Aditya Vipinbhai Patel, Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Malav Girishbhai Patel, Vipinbhai Kantilal Patel, and Birva Chirag Patel are interested in property leased by Manibhai & Brothers Finance Corporation, Birva Chirag Patel, Girishbhai Manibhai Patel and Chirag Hasmukhbhai Patel are interested in property leased by Manibhai & Brothers (PCC) Sarkhej, Manibhai & Brothers, Manibhai & Brothers Charitable Trust, and Malav Girishbai Patel is interested in property leased by Manibhai & Brothers (PCC) Sarkhej. For further details, please see "*Our Business - Properties*" on page 226.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Business interest

Except in the ordinary course of business and as disclosed in "*Restated Consolidated Financial Statements – Note 28*" at page 322, our Directors do not have any other business interest in our Company.

Loans to Directors

Our Directors have not availed any loans from our Company.

Changes to our Board in the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as set out below:

Name	Date of appointment/ cessation reappointment/resignation/ regularisation	Designation (at the time of appointment/ cessation reappointment/resignation/ regularisation)	Reason
Hemant Ishwarlal Modi	April 2, 2024	Independent Director	Appointment as Independent Director
Udayan Dileep Choksi	April 2, 2024	Independent Director	Appointment as Independent Director
Subir Kumar Das	April 2, 2024	Independent Director	Appointment as Independent Director
Sonal Vimal Ambani	April 2, 2024	Independent Director	Appointment as Independent Director

Name	Date of appointment/ cessation reappointment/resignation/ regularisation	Designation (at the time of appointment/ cessation reappointment/resignation/ regularisation)	Reason
Birva Chirag Patel	April 2, 2024	Whole-time Director	Appointment as Whole Time Director
Aditya Vipinbhai Patel	April 2, 2024	Whole-time Director	Appointment as Whole Time Director
Umaben Girishbhai Patel	March 7, 2024	Director – Administration	Cessation due to resignation
Hasmukhbhai Shivabhai Patel	January 16, 2023	Director	Cessation due to death
Umaben Girishbhai Patel	October 1, 2021	Director – Administration	Appointment as Director – Administration

Note: Have not included changes in designation as part of this table.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee.

Audit Committee

The Audit Committee was constituted by our Board on April 1, 2011 pursuant to a resolution passed by our Board at its meeting held on April 1, 2011 and re-constituted by our Board on May 23, 2024 pursuant to a resolution passed by our Board at its meeting held on May 23, 2024. The Audit Committee is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

The members of the Audit Committee are:

Name of the Director	Position in the Committee	Designation
Sanjay Shaileshbhai Majmudar	Chairperson	Independent Director
Udayan Dileep Choksi	Member	Independent Director
Vipinbhai Kantilal Patel	Member	Non-Executive Director

The terms of reference of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   - matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Act;
   - changes, if any, in accounting policies and practices and reasons for the same;
   - major accounting entries involving estimates based on the exercise of judgement by management;
   - significant adjustments made in the financial statements arising out of audit findings;
   - compliance with listing and other legal requirements relating to financial statements;
   - disclosure of any related party transactions;
   - modified opinion(s) in the draft audit report.

5. Review, with the management, the quarterly financial statements before submission to the Board for approval;

6. Review, 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 utilised;

7. for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

8. Review and monitor the auditors' independence and performance, and effectiveness of audit process;

9. Approval (including granting omnibus approval) or any subsequent modification of transactions of the Company with related parties;

10. Scrutiny of inter-corporate loans and investments;

11. Valuation of undertakings or assets of the Company, wherever it is necessary;

12. Evaluation of internal financial controls and risk management systems;

13. Monitor the end use of funds raised through public offers and related matters;

14. Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

15. Review 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;

16. Discuss with internal auditors of any significant findings and follow up there on;

17. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. Look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. Review the functioning of the whistle blower mechanism;

21. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

22. Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date or such other limit as may be prescribed;

23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

24. Review the management discussion and analysis of financial condition and results of operations;

25. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;

26. Review the internal audit reports relating to internal control weaknesses;

27. Review the appointment, removal and terms of remuneration of the chief internal auditor;

28. Review the statement of deviations:

    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.

    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations;

29. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

30. Examination of the financial statement and the auditors' report thereon;

31. Review the financial statements, in particular, the investments made by the unlisted subsidiary/ies.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board on April 1, 2011 pursuant to a resolution passed by our Board at its meeting held on April 1, 2011 and re-constituted by our Board on May 23, 2024 pursuant to a resolution passed by our Board at its meeting held on May 23, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations.

The members of the Nomination and Remuneration Committee are:

Name of the Director	Position in the Committee	Designation
Sanjay Shailesbhai Majmudar	Chairperson	Independent Director
Hemant Ishwarlal Modi	Member	Independent Director
Vipinbhai Kantilal Patel	Member	Non-Executive Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other senior employees; For every appointment of an independent director, evaluating 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;

2. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal. The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience;

3. Devise a policy on Board diversity;

4. Recommend to the Board, all remuneration, in whatever form, payable to senior management;

5. Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board";

6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Providing detailed explanation and justification in the notice to the shareholders for recommending the appointment or re-appointment of a person as Director who was earlier rejected for appointment/ reappointment by the shareholders at a general meeting.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by the meeting of the Board held on May 23, 2024. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The members of the Stakeholders' Relationship Committee are:

Name of the Director	Position in the Committee	Designation
Vipinbhai Kantilal Patel	Chairperson	Non-Executive Director
Subir Kumar Das	Member	Independent Director
Birju Maheshbhai Patel	Member	Independent Director
Malav Girishbhai Patel	Member	Joint Managing Director

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

4. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;

5. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

6. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

7. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

8. To approve, register, refuse to register transfer or transmission of shares and other securities and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

9. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

10. Allotment and listing of shares;

11. To authorise affixation of common seal of the Company;

12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

14. To dematerialise the issued shares;

15. Ensure proper and timely attendance and redressal of investor queries and grievances;

16. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

17. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted by our Board on August 9, 2014 pursuant to a resolution passed by our Board at its meeting held on August 9, 2014 and re-constituted by our Board on May 23, 2024 pursuant to a resolution passed by our Board at its meeting held on May 23, 2024. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act.

The members of the Corporate Social Responsibility Committee are:

Name of the Director	Position in the Committee	Designation
Malav Girishbhai Patel	Chairperson	Joint Managing Director
Sonal Vimal Ambani	Member	Independent Director
Birva Chirag Patel	Member	Whole-time Director

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. Formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;

2. Formulate and recommend to the Board an annual action plan in pursuance of its CSR policy;

3. Recommend the amount of expenditure to be incurred on the activities referred to above;

4. Monitor the CSR Policy of the Company from time to time;

5. Do such other acts, deeds, things and matters as are necessary or expedient in complying with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Risk Management Committee

Our Risk Management Committee was constituted pursuant to a resolution approved by our Board on May 23, 2024. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations.

The members of the Risk Management Committee are:

Name of the Director	Position in the Committee	Designation
Chirag Hasmukhbhai Patel	Chairperson	Chairman and Joint Managing Director
Aditya Vipinbhai Patel	Member	Whole-time Director
Sanjay Shaileshbhai Majmudar	Member	Independent Director
Pankaj Naresh	Member	CEO (Phenix Division)

The terms of reference of the Risk Management Committee include the following:

1. To formulate a detailed risk management policy which shall include:

    a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    b. Measures for risk mitigation including systems and processes for internal control of identified risks.

    c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

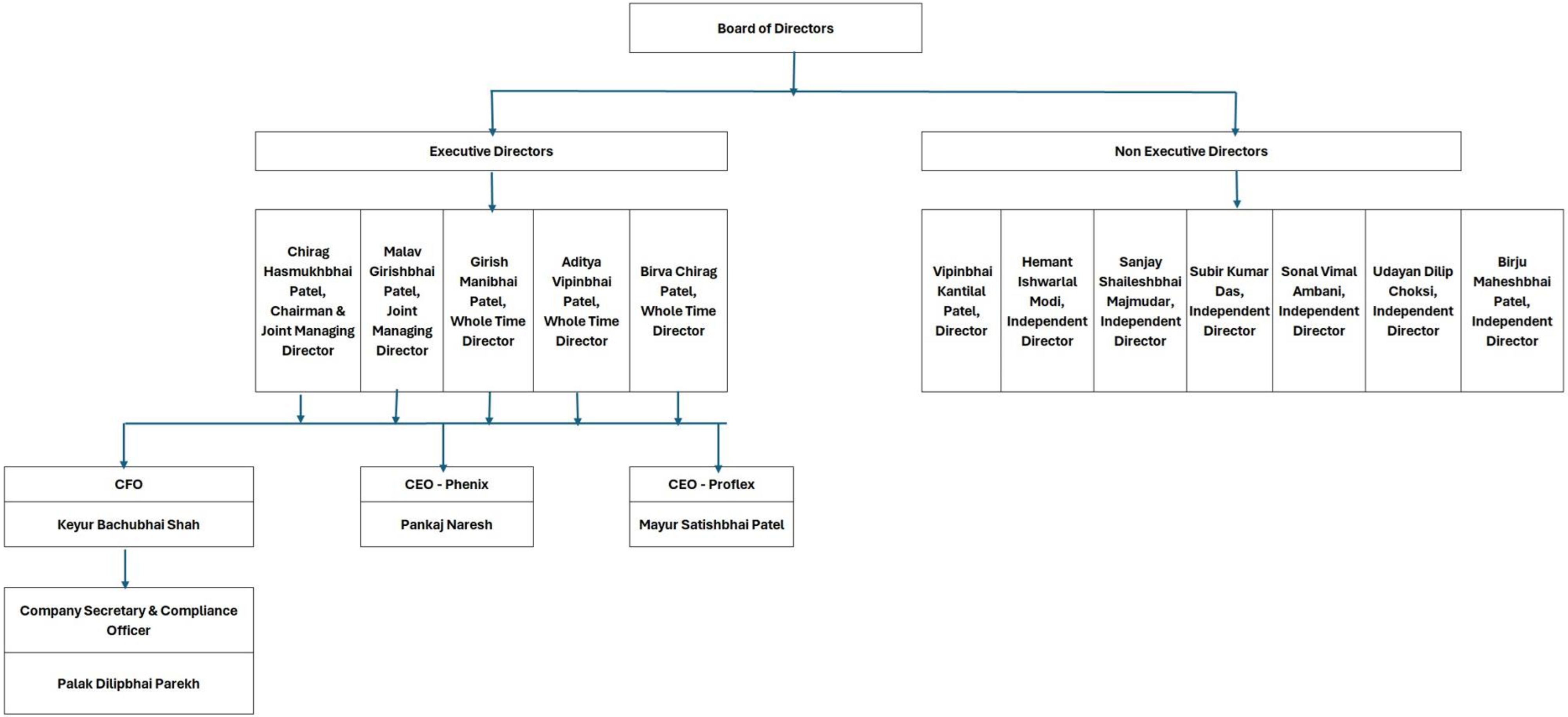
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

Management organization chart



Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

In addition to Chirag Hasmukhbhai Patel, our Chairman and Joint Managing Director, Malav Girishbhai Patel, our Joint Managing Director, and Girishbhai Manibhai Patel, Birva Chirag Patel, Aditya Vipinbhai Patel, our Whole-time Directors, whose details are disclosed under '*Our Management – Brief profile of our Directors*' on page 250, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set out below:

Palak Dilipbhai Parekh is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since March 7, 2024. She holds a bachelor's degree in commerce from Gujarat University and a bachelor's degree in law from Gujarat University. She is also a fellow of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated with Prism Finance Limited as a company secretary and compliance officer, Meghmani Industries Limited as a deputy manager – company secretary. For Fiscal 2024, she was paid an aggregate compensation of ₹ 0.07 million.

Keyur Bachubhai Shah is the Chief Financial Officer of our Company since April 1, 2024. He has been associated with our Company as a general manager (finance and accounts) from January 1, 2007. He holds a bachelor's degree in commerce from N.C. Bodiwala Commerce College, Gujarat University. He is also a fellow of the Institute of Chartered Accountants of India and has passed the Information Systems Audit (ISA) assessment test conducted by the Institute of Chartered Accountants of India. He has completed a certificate course on international financial reporting standards (IFRS) conducted by the Institute of Chartered Accountants of India, and a course on Oracle 8 with Dev. 2000 – Diploma in EDBMS and Visual Basic 5.0 offered by Software Solution Integrated Limited. Prior to joining our Company, he was associated with Shree Ambica Decoprints Private Limited as a senior manager – finance and accounts. For Fiscal 2024, he was paid an aggregate compensation of ₹ 5.05 million.

Mayur Satishbhai Patel is the Chief Executive Officer of our Company. He is responsible for managing the Proflex division of our Company. He has been associated with our Company since February 1, 2003 as the manager (business development). He was designated as a Chief Executive Officer with effect from February 1, 2006. He has completed a diploma in plastic engineering from Government Polytechnic, Ahmedabad. He was previously associated with Upperex Netsolutions Private Limited as a director, Gridcomp Software Private Limited as a director and Mayur Plastic as a proprietor. For Fiscal 2024, he was paid an aggregate compensation of ₹ 4.54 million.

Pankaj Naresh is the Chief Executive Officer of our Company. He is responsible for managing the Phenix division of our Company. He has been associated with our Company as a Chief Executive Officer with effect from November 25, 2019. He holds a master's degree in business administration from Indian Institute of Technology, Delhi. He has also completed his master's degree in engineering (industrial engineering and management) from Devi Ahilya Vishwavidyalaya, Indore and bachelor's degree in electrical engineering from Gorakhpur University. He was previously associated with Reliance Industries Limited, Lanco Infratech Limited, Alstom Projects India Limited, Excel Textile Corporation, Reliance Energy Limited and Mangalore Refinery and Petrochemicals Limited. For Fiscal 2024, he was paid an aggregate compensation of ₹ 18.52 million.

Senior Management Personnel

Other than Palak Dilipbhai Parekh, our Company Secretary and Compliance Officer and Keyur Bachubhai Shah, our Chief Financial Officer, our Key Managerial Personnel whose details are mentioned above, there are no Senior Management Personnel as on the date of this Draft Red Herring Prospectus.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel or Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Relationship among Key Managerial Personnel and/or Senior Management Personnel

Other than as disclosed in "*Our Management – Confirmations*" on page 251, none of our Key Managerial Personnel or Senior Management Personnel are related to any of our Directors or other Key Managerial Personnel or Senior Management Personnel.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Except for Equity Shares held by our Joint Managing Directors, Whole-time Directors, as mentioned under '*Shareholding of Directors in our Company*' on page 254 above, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service contracts with Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel are governed by the terms of their appointment by way of board and shareholders resolution, employment letter, as the case may be and have not entered into any service contracts with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

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

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management Personnel.

Interests of Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in "*Our Management – Interest of our Directors*" on page 254, our Key Managerial Personnel (other than our Directors) and our Senior Management Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. Further, some of our Key Managerial Personnel and our Senior Management Personnel are interested to the extent of Equity Shares held by them, their relatives or by entities in which they are associated as a director and to the extent of benefits arising out of such shareholding. Our Key Managerial Personnel and Senior Management Personnel may be interested to the extent of employee stock options that may be granted to them from time to time under the M&B ESOP Plan 2024 and any other employee stock option schemes that may be formulated by our Company from time to time.

Except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Key Managerial Personnel or Senior Management Personnel have any conflict of interest with our suppliers/vendors and third-party service providers which are crucial for the operations of our Company.

Further, except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Key Managerial Personnel have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company.

Changes in the Key Managerial Personnel or Senior Management Personnel in last three years

Other than as disclosed in "*Our Management – Changes to our board in last three years*" on page 255, the changes in our Key Managerial Personnel and our Senior Management Personnel during the 3 years immediately preceding the date of this Draft Red Herring Prospectus, are set out below:

Name	Date of appointment/ resignation	Designation (at the time of appointment/ resignation)	Reason
Palak Dilipbhai Parekh	April 1, 2024	Company Secretary and Compliance Officer	Appointment
Keyur Bachubhai Shah	April 1, 2024	Chief Financial Officer	Appointment
Birva Chirag Patel	March 31, 2024	Company Secretary	Resignation
Vipinbhai Kantilal Patel	March 7, 2024	Chief Financial Officer	Resignation

Payment or benefit to officers of our Company

No non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management Personnel other than in the ordinary course of their employment.

Employee Stock Option

For details of the M&B ESOP Plan 2024 implemented by our Company, see "*Capital Structure – Employee Stock Option Plan*" on page 108.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Girishbhai Manibhai Patel, Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Birva Chirag Patel, Vipinbhai Kantilal Patel, Aditya Vipinbhai Patel, Leenaben Vipinbhai Patel, Chirag H Patel Family Trust, Vipin K Patel Family Trust, MGM5 Family Trust, MGM11 Family Trust, Aditya V Patel Family Trust are our Promoters.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 48,000,000 Equity Shares, representing 96.00% of the paid-up Equity Share capital of our Company. For details, see "*Capital Structure – Details of Build-up, Contribution and Lock-in of Promoter's Shareholding and Lock-in of other Equity Shares*" on page 94.

Details of our Promoters

	Girishbhai Manibhai Patel, aged 77 years, is a Promoter, and is also the Whole-time Director of our Company. He is a resident of Nisarg Bunglow, Opp. Ace Tennis Club, B/h Karnavati Club, Mumatpura, Daskroi, Bopal, Ahmedabad, Gujarat – 380 058. ***DIN:*** 00261624 ***Date of birth:*** August 31, 1947 ***Permanent account number***: AAWPP1120E For the complete profile of Girishbhai Manibhai Patel, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.
	Chirag Hasmukhbhai Patel, aged 53 years, is a Promoter, and is also the Chairman and Joint Managing Director of our Company. He is a resident of Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi, Ahmedabad, Bopal, Gujarat - 380 058. ***DIN:*** 00260514 ***Date of birth:*** March 26, 1971 ***Permanent account number***: AEHPP8762P For the complete profile of Chirag Hasmukhbhai Patel, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.
	Malav Girishbhai Patel, aged 47 years, is a Promoter, and is also the Managing Director of our Company. He is a resident of Nisarg Bunglow, Spring Valley Road, Behind Karnavati Club, S.G. Highway, Ahmedabad, Gujarat - 380 058. ***DIN:*** 00260602 ***Date of birth:*** October 20, 1976 ***Permanent account number***: AEPPP4861H For the complete profile of Malav Girishbhai Patel, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.

	Birva Chirag Patel, aged 51 years, is a Promoter, and is also the Whole-time Director of our Company. She is a resident of Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate-2, Mummatpura, Daskroi, Ahmedabad, Bopal, Gujarat – 380 058. ***DIN:*** 07203299 ***Date of birth:*** June 2, 1973 ***Permanent account number***: AEVPP5751L For the complete profile of Birva Chirag Patel, along with details of her educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.
	Vipinbhai Kantilal Patel, aged 76 years, is a Promoter, and is also the Director of our Company. He is a resident of 2, Nandanvan, Nr. Shaym Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059. ***DIN:*** 00260734 ***Date of birth:*** March 17, 1948 ***Permanent account number***: AEQPP4916C For the complete profile of Vipinbhai Kantilal Patel, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.
	Aditya Vipinbhai Patel, aged 39 years, is a Promoter, and is also the Whole-time Director of our Company. He is a resident of 2, Nandanvan, Nr. Shyam Vihar, Opp. Silver Square, Thaltej – Shilaj Road – Thaltej, Ahmedabad, Gujarat – 380 059. ***DIN:*** 07103812 ***Date of birth:*** October 11, 1984 ***Permanent account number***: AJEPP1870G For the complete profile of Aditya Vipinbhai Patel, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 246.
	Leenaben Vipinbhai Patel aged 72 is a Promoter, of our Company. She is a resident of India. ***Date of birth:*** September 29, 1951 ***Permanent account number***: ABEPP8514F ***Educational qualifications***: She has a degree in bachelors of science (special) from the Gujarat University ***Previous experience***: Nil ***Directorships held***: Nil

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters, to the extent available, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Details of Promoter Trusts

Chirag H Patel Family Trust

Trust Information

Chirag H Patel Family Trust was formed as a family trust pursuant to a deed of settlement dated April 4, 2024. The principal office of Chirag H Patel Family Trust is at Diya Residence, Behind Karnavati Club, Opp. Spring Valley Gate – 2, Mumatpura, Daskroi, Ahmedabad, Bopal – 380058, Gujarat, India.

Board of Trustees

The trustees of Chirag H Patel Family Trust as on the date of this Draft Red Herring Prospectus are Chirag Hasmukhbhai Patel and Birva Chirag Patel.

Beneficiaries of the Trust

Birva Chirag Patel and Diya Chirag Patel are the primary beneficiaries, and the lineal descendants of Diya Chirag Patel are the secondary beneficiaries of the Chirag H Patel Family Trust.

Settlor of the Trust

Chirag Hasmukhbhai Patel is the settlor of the Chirag H Patel Family Trust.

*Reasons for formation and objects of the Trust*The trust deed constituting the Chirag H Patel Family Trust provides as follows:

1. *To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the Beneficiaries of the Trust Fund amongst the Beneficiaries and to ensure harmony and avoid conflicts between the Beneficiaries of the Trust;*

2. *To provide for different needs and requirements of the Beneficiaries in accordance with the terms of this Deed depending upon changing circumstances of life style and their varying needs including, as applicable, but not limited to (i) maintenance; (ii) education; (iii) marriage expenses; (iv) medical expenses; (v) residence; and (vi) other expenses and contingencies of the Beneficiaries which the Trustees may in their absolute discretion deem fit;*

3. *To provide for consolidation and preservation of all assets of the Trust; and*

4. *To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this Deed and to undertake other activities of any nature whatsoever, in accordance with the powers available to the Trustees under this Deed and Applicable Law.*

Change in control of the Trust

There has been no change in control of the Chirag H Patel Family Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Vipin K Patel Family Trust

Trust Information

Vipin K Patel Family Trust was formed as a family trust pursuant to a deed of settlement dated April 4, 2024. The principal office of Vipin K Patel Family Trust is at 2, Nandanvan, Nr. Shyam Vihar, Opp. Silver Square, Shilaj Road, Thaltej, Ahmedabad - 380059, Gujarat, India.

Board of Trustees

The trustees of Vipin K Patel Family Trust as on the date of this Draft Red Herring Prospectus are Vipinbhai Kantilal Patel and Aditya Vipinbhai Patel.

Beneficiaries of the Trust

Leenaben Vipinbhai Patel and Aditya Vipinbhai Patel are the primary beneficiaries, Shayoni Aditya Patel, Aashirya Aditya Patel and other child/ children of Aditya Vipinbhai Patel are the secondary beneficiaries and lineal descendants of Aashirya Aditya Patel are the tertiary beneficiaries of the Vipin K Patel Family Trust.

Settlor of the Trust

Vipinbhai Kantilal Patel is the settlor of the Vipin K Patel Family Trust.

*Reasons for formation and objects of the Trust*The trust deed constituting the Vipin K Patel Family Trust provides as follows:

1. *To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the Beneficiaries of the Trust Fund amongst the Beneficiaries and to ensure harmony and avoid conflicts between the Beneficiaries of the Trust;*

2. *To provide for different needs and requirements of the Beneficiaries in accordance with the terms of this Deed depending upon changing circumstances of life style and their varying needs including, as applicable, but not limited to (i) maintenance; (ii) education; (iii) marriage expenses; (iv) medical expenses; (v) residence; and (vi) other expenses and contingencies of the Beneficiaries which the Trustees may in their absolute discretion deem fit;*

3. *To provide for consolidation and preservation of all assets of the Trust; and*

4. *To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this Deed and to undertake other activities of any nature whatsoever, in accordance with the powers available to the Trustees under this Deed and Applicable Law.*

Change in control of the Trust

There has been no change in control of the Vipin K Patel Family Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

MGM5 Family Trust

Trust Information

MGM5 Family Trust was formed as a family trust pursuant to a deed of settlement dated April 25, 2024. The principal office of MGM5 Family Trust is at Nisarg, Opp. Ace Tennis Club, B/H Karnavati Club, Mumatpura, Daskroi, Bopal, Ahmedabad, Gujarat – 380058, India.

Board of Trustees

The trustees of MGM5 Family Trust as on the date of this Draft Red Herring Prospectus are Girishbhai Manibhai Patel and Umaben Girishbhai Patel.

Beneficiaries of the Trust

Umaben Girishbhai Patel and Malav Girishbhai Patel are the primary beneficiaries, and Master Ridaan Malav Patel and lineal descendants of Master Ridaan Malav Patel are the secondary beneficiaries of the MGM5 Family Trust.

Settlor of the Trust

Girishbhai Manibhai Patel is the settlor of the MGM5 Family Trust.

*Reasons for formation and objects of the Trust*The trust deed constituting the MGM5 Family Trust provides as follows:

1. *To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the Beneficiaries of the Trust Fund amongst the Beneficiaries and to ensure harmony and avoid conflicts between the Beneficiaries of the Trust;*

2. *To provide for different needs and requirements of the Beneficiaries in accordance with the terms of this Deed depending upon changing circumstances of life style and their varying needs including, as applicable, but not limited to (i) maintenance; (ii) education; (iii) marriage expenses; (iv) medical expenses; (v) residence; and (vi) other expenses and contingencies of the Beneficiaries which the Trustees may in their absolute discretion deem fit;*

3. *To provide for consolidation and preservation of all assets of the Trust; and*

4. *To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this Deed and to undertake other activities of any nature whatsoever, in accordance with the powers available to the Trustees under this Deed and Applicable Law.*

MGM11 Family Trust

Trust Information

MGM11 Family Trust was formed as a family trust pursuant to a deed of settlement dated April 25, 2024. The principal office of MGM11 Family Trust is at Nisarg, Opp. Ace Tennis Club, B/H Karnavati Club, Mumatpura, Daskroi, Bopal, Ahmedabad, Gujarat – 380058, India.

Board of Trustees

The trustees of MGM11 Family Trust as on the date of this Draft Red Herring Prospectus are Girishbhai Manibhai Patel and Umaben Girishbhai Patel.

Beneficiaries of the Trust

Umaben Girishbhai Patel and Malav Girishbhai Patel are the primary beneficiaries, and Master Rishaan Malav Patel and lineal descendants of Master Rishaan Malav Patel are the secondary beneficiaries of the MGM11 Family Trust.

Settlor of the Trust

Girishbhai Manibhai Patel is the settlor of the MGM11 Family Trust.

Reasons for formation and objects of the Trust

The trust deed constituting the MGM11 Family Trust provides as follows:

1. *To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the Beneficiaries of the Trust Fund amongst the Beneficiaries and to ensure harmony and avoid conflicts between the Beneficiaries of the Trust;*

2. *To provide for different needs and requirements of the Beneficiaries in accordance with the terms of this Deed depending upon changing circumstances of life style and their varying needs including, as applicable, but not limited to (i) maintenance; (ii) education; (iii) marriage expenses; (iv) medical expenses; (v) residence; and (vi) other expenses and contingencies of the Beneficiaries which the Trustees may in their absolute discretion deem fit;*

3. *To provide for consolidation and preservation of all assets of the Trust; and*

4. *To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this Deed and to undertake other activities of any nature whatsoever, in accordance with the powers available to the Trustees under this Deed and Applicable Law.*

Change in control of the Trust

There has been no change in control of the MGM11 Family Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Aditya V Patel Family Trust

Trust Information

Aditya V Patel Family Trust was formed as a family trust pursuant to a deed of settlement dated May 7, 2024. The principal office of Aditya V Patel Family Trust is at 2, Nandanvan, Nr. Shaym Vihar, Opp. Silver Square, Shilaj Road, Thaltej, Ahmedabad – 380 059, Gujarat, India.

Board of Trustees

The trustees of Aditya V Patel Family Trust as on the date of this Draft Red Herring Prospectus are Aditya Vipinbhai Patel and Shayoni Aditya Patel.

Beneficiaries of the Trust

Shayoni Aditya Patel, Aashirya Aditya Patel and other child/ children of Aditya Vipinbhai Patel are the primary beneficiaries, and lineal descendants of Aashirya Aditya Patel and lineal descendants of other child/c children of Aditya Vipinbhai Patel are the secondary beneficiaries of the Aditya V Patel Family Trust.

Settlor of the Trust

Aditya Vipinbhai Patel is the settlor of the Aditya V Patel Family Trust.

*Reasons for formation and objects of the Trust*The trust deed constituting the Aditya V Patel Family Trust provides as follows:

1. *To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the Beneficiaries of the Trust Fund amongst the Beneficiaries and to ensure harmony and avoid conflicts between the Beneficiaries of the Trust;*

2. *To provide for different needs and requirements of the Beneficiaries in accordance with the terms of this Deed depending upon changing circumstances of life style and their varying needs including, as applicable, but not limited to (i) maintenance; (ii) education; (iii) marriage expenses; (iv) medical expenses; (v) residence; and (vi) other expenses and contingencies of the Beneficiaries which the Trustees may in their absolute discretion deem fit;*

3. *To provide for consolidation and preservation of all assets of the Trust; and*

4. *To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this Deed and to undertake other activities of any nature whatsoever, in accordance with the powers available to the Trustees under this Deed and Applicable Law.*

Change in control of the Trust

There has been no change in control of the Aditya V Patel Family Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Change in the management and control of our Company

There has been no change in control of our Company in the five years preceding the date of this Draft Red Herring Prospectus. For details in relation to the shareholding of our Promoters and Promoter Group, and changes in the shareholding of our Promoters, including in the five years preceding the date of this Draft Red Herring Prospectus, see "*Capital Structure*" on page 87.

Interests of our Promoters

Except as disclosed in "*Restated Consolidated Financial Statements – Note 28*" and "*Related Party Transactions*", our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) of their direct and indirect shareholding in our Company, the shareholding of their relatives; (iii) and other distributions in respect of the Equity Shares held by our Promoters; (iv) of their directorship in our Company and our Subsidiaries; and (v) of their remuneration and employment benefits for being the directors in our Company and our Subsidiaries. For further details, see "*Capital Structure - Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares - Build-up of Promoters' equity shareholding in our Company*" on page 94. Additionally, our Promoters may be interested in transactions entered into by our Company with them, their relatives or other entities which are controlled by our Promoters.

Our Promoters are not interested as a member of a firm or company and no sum has been paid or agreed to be paid to our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise, for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

Except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Promoters and members of the Promoter Group have any conflict of interest with our suppliers/ vendors and third-party service providers which are crucial for the operations of our Company.

Further, except as disclosed in "*Restated Consolidated Financial Statements – Note 28 – Related Party Disclosures*" on page 322, none of our Promoters and members of the Promoter Group have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company.

Interest in property, land, construction of building and supply of machinery

Except as disclosed below, our Promoters do not have an interest in any property acquired by our Company during the three preceding years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Certain of our Promoters, are interested in properties leased to our Company, namely, Aditya Vipinbhai Patel, Chirag Hasmukhbhai Patel, Girishbhai Manibhai Patel, Malav Girishbhai Patel, Vipinbhai Kantilal Patel, and Birva Chirag Patel are interested in property leased by Manibhai & Brothers Finance Corporation, Birva Chirag Patel, Girishbhai Manibhai Patel and Chirag Hasmukhbhai Patel are interested in property leased by Manibhai & Brothers (PCC) Sarkhej, Manibhai & Brothers, Manibhai & Brothers Charitable Trust, and Malav Girishbai Patel is interested in property leased by Manibhai & Brothers (PCC) Sarkhej. For further details, please see "*Our Business - Properties*" on page 226.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Consolidated Financial Statements – Note 28*" and *"Our Management-Terms of Appointment of Executive Directors of the Company"* on pages 322 and 251, respectively, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Promoters	Name of the company/ firm disassociated from	Date of disassociation	Reasons for and circumstances leading to disassociation and terms of disassociation
1.	Birva Chiragbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
2.	Girishbhai Manbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
3.	Chirag Hasmukbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
4.	Aditya Vipinbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
5.	Vipinbhai Kantilal Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
6.	Malav Girishbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale
7.	Leenaben Vipinbhai Patel	Phenix Building Solutions Private Limited	March 7, 2024	Stake sale

Material guarantees

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of our Promoter Group

The natural persons who are part of our Promoter Group, other than our Promoters, are as follows:

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Promoter
Girishbhai Manibhai Patel	Umaben Girishbhai Patel	Spouse
	Mahesh Manibhai Patel	Brother
	Jayshreeben Bimalbhai Patel	Sister
	Dakshaben Kiranbhai Patel	Sister
	Patel Minaben Arvindkumar	Sister
	Malav Girishbhai Patel	Son
	Vipinbhai Kantilal Patel	Brother of Spouse
	Hemangini Harikrishna Patel	Sister of Spouse
	Karbhari Tasleem Mohmmadyusuf	Sister of Spouse
Chirag Hasmukhbhai Patel	Birva Chirag Patel	Spouse
	Patel Bhadraben Hasmukhbhai	Mother
	Ami Narayan	Sister
	Diya Chirag Patel	Daughter
	Minaben Shirishkumar Mehta	Mother of Spouse
Malav Girishbhai Patel	Aparna Malav Patel	Spouse
	Girishbhai Manibhai Patel	Father
	Umaben Girishbhai Patel	Mother

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Promoter
	Ridaan Malav Patel	Son
	Rishaan Malav Patel	Son
	Nimish Kalyanbhai Vasa	Father of Spouse
	Anurupa Nimish Vasa	Mother of Spouse
	Abhijit Nimish Vasa	Brother of Spouse
Birva Chirag Patel	Chirag Hasmukhbhai Patel	Spouse
	Minaben Shirishkumar Mehta	Mother
	Diya Chirag Patel	Daughter
	Patel Bhadraben Hasmukhbhai	Mother of Spouse
	Ami Narayan	Sister of Spouse
Vipinbhai Kantilal Patel	Leenaben Vipinbhai Patel	Spouse
	Hemangini Harikrishna Patel	Sister
	Karbhari Tasleem Mohmmadyusuf	Sister
	Umaben Girishbhai Patel	Sister
	Aditya Vipinbhai Patel	Son
	Aditi Vipinbhai Patel	Daughter
	Ashvinkumar Vithalbhai Patel	Brother of Spouse
	Jyotsanaben Navnitbhai Patel	Sister of Spouse
	Ramaben Haresh Patel	Sister of Spouse
Aditya Vipinbhai Patel	Shayoni Aditya Patel	Spouse
	Vipinbhai Kantilal Patel	Father
	Leenaben Vipinbhai Patel	Mother
	Aditi Vipinbhai Patel	Sister
	Aashirya Aditya Patel	Daughter
	Yogesh Madhusudan Desai	Father of Spouse
	Binaben Yogeshbhai Desai	Mother of Spouse
	Manushi Yoeshbhai Desai	Sister of Spouse
Leenaben Vipinbhai Patel	Vipinbhai Kantilal Patel	Spouse
	Ashvinkumar Vithalbhai Patel	Brother
	Ramaben Haresh Patel	Sister
	Jyotsanaben Navnitbhai Patel	Sister
	Aditi Vipinbhai Patel	Daughter
	Aditya Vipinbhai Patel	Son
	Hemangini Harikrishna Patel	Sister of Spouse
	Karbhari Tasleem Mohmmadyusuf	Sister of Spouse
	Umaben Girishbhai Patel	Sister of Spouse

Entities forming part of the Promoter Group

The entity forming part of our Promoter Group, are as follows:

1. Phenix Engineering Services Private Limited
2. Maxim Finance Private Limited
3. Azkka Pharmaceuticals Private Limited
4. Shreenathji Prestressed Private Limited
5. Giriraj Prestressed Private Limited
6. L V Finance Private Limited
7. Patel Girishbhai Manibhai HUF
8. M B Enterprise
9. Manibhai & Brothers
10. Manibhai & Brothers (PCC) Sarkhej

11. Manibhai & Brothers (Sleepers)
12. Usha Prestressed Sleeper Udyog (PIPLOD)
13. Manibhai & Brothers Finance Corporation
14. Phenix Building Services
15. M & B Urbanestates LLP
16. Manibhai & Brothers Charitable Trust
17. Trimurti Charitable Trust
18. Indumati Charitable Trust
19. Chirag Hasmukhbhai Patel HUF
20. Abir Investments Private Limited
21. Angot Chemicals Private Limited
22. Patel Malav Girishbhai HUF
23. Rellonge Traders LLP
24. Patel Vipinbhai Kantilal HUF
25. Aditya Vipinbhai Patel HUF
26. Neo Smile Dental Clinic
27. Giriraj Infrabuild LLP
28. Grey Stone Buildcon LLP
29. 110 Perkins Somerville LLC.
30. 1401 Latimer Circle LLC
31. 209 Middlesex Burlington LLC
32. 24 Linden Medford LLC
33. 27 Pearl Somerville LLC
34. 3 Maple Haverhill LLC
35. 31 Aiken Lowell LLC
36. 37 Dutcher Hopedale LLC
37. 375-379 Haverhill Lawrence LLC
38. 43-49 Austin Street LLC
39. 776 Main Street Worcester LLC
40. Abhijit Nimish Vasa (HUF)
41. Arcata Trade Links Private Limited
42. Aura Aka LLC
43. Avichal Projects LLP
44. Kuma Engineering Private Limited

45. Kuma Engineering USA, INC.

46. Kuma Gardner LLC

47. Kuma Nashua LLC

48. Kuma Realty, LLC

49. M & K Industries, INC

50. Phoenix Nexus Holdings, LLC

51. Phoenix Nexus International LLC

52. Pushpkalyan Charitable Trust

53. Rasayan Consultants

54. West Main and Mount Pleasant LLC

55. Yogesh Madhusudan Desai (HUF)

56. Diya Enterprise

57. R R Enterprise

58. Aashirya Enterprise

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of "group companies", our Company has considered (i) such companies (other than promoter(s) and subsidiaries with which there were related party transactions during the period for which Restated Consolidated Financial Statements is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other companies which are considered material by our Board.

Modtech Machines Private Limited was a subsidiary of the Company during the period for which the related party transactions have been carried out, hence it has not been identified as a group company of the Company.

In respect of item (ii) above, our Board in its meeting held on September 23, 2024, has considered and adopted the Materiality Policy, *inter alia*, for identification of companies that shall be considered material and shall be disclosed as a group company in this Draft Red Herring Prospectus. In terms of the Materiality Policy, a company shall be considered 'material' and will be disclosed as a 'Group Company' in the Offer Documents, if a company is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with our Company (on a consolidated basis) in the most recent financial year (covered in the Restated Consolidated Financial Statements included in the Offer Documents) that cumulatively exceed 10.00% of the total consolidated revenue of the Company, as per the Restated Consolidated Financial Statements of the Company for the most recent financial year.

Accordingly, our Board has identified the following as group companies of our Company ("**Group Companies**"):

1. Giriraj Prestressed Private Limited; and

2. Shrinathji Prestressed Private Limited.

A. Details of our Group Companies

1. Giriraj Prestressed Private Limited

Registered office

The registered office of Giriraj Prestressed Private Limited is situated at 51, Chandrodaya Society, MB House, Opp. Golden Triangle, Naranpura, Ahmedabad-380 014.

Financial Information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Giriraj Prestressed Private Limited for the Fiscals 2024, 2023 and 2022 are available on https://mbel.in/.

2. Shrinathji Prestressed Private Limited

Registered office

The registered office of Shrinathji Prestressed Private Limited is situated at 51, Chandrodaya Society, MB House, Opp. Golden Triangle, Naranpura, Ahmedabad-380 014.

Financial Information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Shrinathji Prestressed Private Limited for the Fiscals 2024, 2023 and 2022 are available on https://mbel.in/.

B. Interests of Group Companies in our Company

(a) ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company.

(b) ***In the properties acquired by our Company in the past three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired***

Our Group Companies are not interested in the properties acquired by our Company in the three years immediately preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our

Company.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery, etc. For details in relation to our related party transactions as per the requirements under Ind AS 24, see "*Restated Consolidated Financial Statements – Note 28*" on page 322.

C. Common pursuits amongst the Group Companies with our Company

There are no common pursuits between the Group Companies and our Company.

D. Related business transactions with our Group Companies and significance on the financial performance of our Company

Other than the transactions appearing in the section titled "*Restated Consolidated Financial Statements – Note 28*" on page 322, there are no other related business transactions between the Group Companies and our Company.

E. Litigations

Except as disclosed in "*Outstanding Litigation and Other Material Developments*" on page 382, there are no litigations involving our Group Companies which may have a material impact on our Company.

F. Business interests or other interests

There are related party transactions between the Group Companies and our Company as appearing in the section titled "*Restated Consolidated Financial Statements – Note 28*" on page 322. Other than the related party transactions, our Group Companies do not have any business interest or other interest in our Company.

G. Confirmations

None of our Group Companies have its securities listed on any stock exchange.

Our Group Company does not have any conflict of interest with our suppliers/vendors and third-party service providers which are crucial for the operations of our Company.

Our Group Company does not have any conflict of interest with the lessors of immovable properties which are crucial for the operations of our Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the applicable Indian Accounting Standards for Fiscals 2024, 2023 and 2022 and as reported in the Restated Consolidated Financial Statements, see "*Restated Consolidated Financial Statements – Note 28*" on page 322.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and/or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in its meeting held on March 07, 2024.

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 dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, *inter alia*, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) profits earned during the financial year; (ii) retained earnings; (iii) earnings outlook; (iv) present and future capital expenditure plans / working capital requirements of our Company; (v) past dividend trends; (v) any other relevant factors and material events as may be deemed fit by our Board; (vi) dividend pay-out ratios of companies in the same industry; (ii) macro-economic environment including significant changes in macro-economic environment materially affecting the businesses in which our Company is engaged in the geographies in which our Company operates; (vii) capital markets where the dividend pay-out may depend upon the capital market environment and cost of capital to raise fresh funds through alternate resources.

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, and restrictive covenants contained in any agreement as may be entered with the lenders.

For more information on restrictive covenants under our loan agreements, see "*Financial Indebtedness*" beginning on page 379.

Our Company has not declared or paid any dividends on the Equity Shares during the last three Fiscals 2024, 2023 and 2022 preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus.

Our Company may from time to time, pay interim dividends. Our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid on Equity Shares or with any frequency, in the future. For further details, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 59.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

[*The remainder of this page has intentionally been left blank*]

Independent Auditors' Examination Report on the Restated Consolidated Statement of assets and liabilities as at March 31, 2024, 2023 and 2022, Restated Consolidated Statement of profit and loss (including other comprehensive income), the Restated Consolidated Statement of changes in equity and the Restated Consolidated Statement of Cash Flows for each of the financial years ended March 31, 2024, 2023 and 2022, and Notes to Restated Consolidated Financial Statements of M & B Engineering Limited and its subsidiaries (collectively, the "Restated Consolidated Financial Statements")

To
The Board of Directors
M & B Engineering Limited

Dear Sirs,

1. We, Talati & Talati LLP have examined the attached Restated Consolidated Financial Statements of M & B Engineering Limited (the "Company") and its subsidiaries (the Company and its subsidiaries collectively referred to as the "Group"), as at and for each of the financial years ended March 31, 2024, 2023 and 2022 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP") proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") and the Registrar of Companies, in connection with the proposed initial public offer of equity shares of face value of Rs.10 each of the Company (the "Offering"). The Restated Consolidated Financial Statements,which have been approved by the Board of Directors of the Company at their meeting held on September 23, 2024, have been prepared in accordance with the requirements of:

    a. section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "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").

Management's Responsibility for the Restated Consolidated Financial Statements

2. The preparation of the Restated Consolidated Financial Statements, which are to be included in the DRHP, is the responsibility of the Board of Directors of the Company for the purpose set out in paragraph 4 below. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 2 of Notes to the Restated Consolidated Financial Statements. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statements. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Companies Act, 2013 ('the Act'), ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Consolidated Financial Statements taking into consideration:

    a. the terms of reference and terms of our engagement agreed with you vide engagement letter dated January 29, 2024 between the Company and Talati & Talati LLP requesting us to carry out the assignment, in connection with the proposed Offering of the Company;

    b. The Guidance Note. 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 Consolidated Financial Statements; 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 Offering.

4. The Company proposes to make an initial public offering of its equity shares of face value of Rs.10 each, which comprises of fresh issue of equity shares and an offer for sale by certain existing shareholders of the Company at suchpremium arrived at by the book building process (referred to as the 'Offer'), as may be decided by the Company’s Board of Directors.

Restated Consolidated Financial Statements as per audited consolidated financial statements

5. The Restated Consolidated Financial Statements have been compiled by the management of the Company from the audited consolidated financial statements of the Group as at and for the financial year ended March 31, 2024 and audited special purpose consolidated financial statements of the Group as at and for each of the financial year ended March 31, 2023 and March 31,2022 prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred to as "Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on June 06, 2024 (collectively “Consolidated Financial Statements”);

6. For the purpose of our examination, we have relied on Auditors’ Report issued by us, dated June 06, 2024, on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024 and report on special purpose consolidated financial statements of the Group issued by us dated June 06, 2024 as at and for each of the financial year ended March 31, 2023 and March 31, 2022 respectively, as referred in paragraph 5 above.

7. As indicated in our audit reports referred to in Para 6, we did not audit the financial statements of two subsidiaries of the Company as at and for the years ended March 31, 2024, 2023 and 2022, whose financial statements reflect total assets, total revenues and net cash inflows/(outflows) for the relevant year as mentioned below:

(Rs. in Millions)

Particulars	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Total Assets	134.94	40.69	140.70
Total Revenue	124.20	215.55	9.73
Net Cash inflows/(outflows)	35.50	14.58	9.59
Group’s share of Net Loss	31.33	54.59	69.89

The financial statements / financial information of one domestic subsidiary (Modtech Machines Private Limited, which ceased to exist as subsidiary from 23rd May 2023) have been unaudited and have been furnished to us as certified by the management. The financial statements / financial information of foreign subsidiary (Phenix Construction Technologies INC) have been furnished to us as certified by the management. Our opinion in so far as it relates to the amounts included in the financial statements referred to in Para 5 above are based solely on the report of Management.

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Statements:

   a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the year ended March 31, 2024;

   b) There was one Qualification each in the Audit Reports issued by us on the Special Purpose Consolidated Financial Statements for the Financial year ended on March 31, 2023 & March 31, 2022, which required adjustment in the Restated Consolidated Financial Statements which is accounting policy of providing for Long term employee benefits as per the Indian Accounting Standard 19 for subsidiary Modtech Machines Private Limited (which ceased to exist as subsidiary from 23rd May 2023). The company has made adjustments of providing long term employee benefits expense for the said subsidiary on accrual basis in the Restated Consolidated Financial Statements. As the said subsidiary is no longer a subsidiary of the Company, said adjustment does not have any impact on the Company's Profitability or Statement of financial statements.

   c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. The Restated Consolidated Financial Statements do not reflect the effect of events that occurred subsequent to the respective dates of the reports on audited Consolidated Financial Statements mentioned in paragraph 6 above.

10. We have not audited any financial statements of the Group as of any date or for any period subsequent to March 31, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and changes in equity of the Group as of any date or for any period subsequent to March 31, 2024.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issuedby us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors of the Company for inclusion in the DRHP to be filed with SEBI, the Stock Exchanges and the Registrar of Companies in connection with the proposed Offering. 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

For TALATI & TALATI LLP
Chartered Accountants
(Firm Reg. No: 110758W/W100377

(Umesh Talati)
Partner
Membership Number : 034834
UDIN: 24034834BKALMX1938

Place of Signature: Ahmedabad
Date: September 23, 2024

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Restated Consolidated Statement of Assets and Liabilities

Particulars	Notes	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
ASSETS				
Non-current assets				
Property, plant and equipment	3	755.33	743.29	649.28
Capital work-in-progress	3	662.26	18.57	18.07
Intangible assets	3 (A)	11.37	33.17	43.91
Right to use assets	4	5.36	11.98	15.34
Financial assets				
(i) Investments	5 (A)	68.99	51.17	56.69
(ii) Loans	5 (E)	3.00	3.00	3.00
(iii) Other financial assets	5 (F)	35.20	44.48	68.59
Total non-current assets		**1,541.51**	**905.66**	**854.88**
Current assets				
Inventories	7	1,958.02	1,746.33	2,035.80
Financial assets				
i) Trade receivables	5 (B)	1,389.60	1,192.15	1,200.32
ii) Cash and bank balances	5 (C)	734.41	981.99	514.35
iii) Bank balances other than (ii) above	5 (D)	257.91	274.09	410.20
iv) Loans	5 (E)	4.56	2.78	3.20
v) Other financial assets	5 (F)	2.37	3.15	1.84
Other current assets	6	442.73	481.72	450.52
Total current assets		**4,789.60**	**4,682.21**	**4,616.23**
Total assets		**6,331.11**	**5,587.87**	**5,471.11**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	8	500.00	200.00	200.00
Other equity	9	1,830.32	1,605.12	1,250.95
Total equity		**2,330.32**	**1,805.12**	**1,450.95**
Non controling interest		**-**	**(9.64)**	**2.65**
Non-current liabilities				
Financial liabilities				
i) Borrowings	10 (A)	438.83	892.70	663.52
ii) Lease liabilities	11 (A)	2.01	5.51	10.04
Deferred tax liabilities (net)	14 (B)	43.62	49.82	55.27
Total non-current liabilities		**484.46**	**948.03**	**728.83**
Current liabilities				
Financial liabilities				
i) Borrowings	10 (B)	1,609.59	594.78	332.31
ii) Lease liabilities	11 (A)	4.43	8.09	6.04
iii) Trade payables				
- (a) Total outstanding dues of micro enterprises and small enterprises	15	26.12	130.92	52.91
- (b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15	907.02	1,210.24	1,964.39
iv) Other financial liabilities	11	124.49	104.76	81.49
Short term provisions	12	104.70	134.20	123.22
Other current liabilities	13	739.98	661.37	728.32
Total current liabilities		**3,516.33**	**2,844.36**	**3,288.68**
Total equity and liabilities		**6,331.11**	**5,587.87**	**5,471.11**

The above Statement should be read with the Significant Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Statements.

As per our report of even date

For Talati & Talati LLP
Chartered Accountants
(Firm Reg. No : 110758W/W100377)

Umesh Talati
(Partner)
Membership Number : 034834
Place : Ahmedabad
Date : September 23, 2024

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav Girishbhai Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : September 23, 2024

Palak D. Parekh
Company Secretary

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Restated Consolidated Statement of Profit and Loss (including other comprehensive income)

	Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
I	**Income**				
	Revenue From Operations	16	7,950.60	8,804.70	6,882.25
	Other income	17	132.00	85.34	106.98
	Total income (I)		**8,082.60**	**8,890.04**	**6,989.23**
II	**Expenses**				
	Cost of materials consumed and operational expenses	18	5,771.69	6,563.38	5,167.30
	(Increase)/Decrease in inventories of finished goods, stock in trade and work-in-progress	19	(37.71)	116.39	(214.80)
	Employee benefits expenses	20	809.09	753.52	705.62
	Finance costs	23	230.58	191.79	189.61
	Depreciation and amortization expenses	21	88.80	103.01	105.85
	Other expenses	22	611.31	707.11	805.79
	Total expenses (II)		**7,473.76**	**8,435.20**	**6,759.37**
III	**Restated Profit before tax (I-II)**		**608.84**	**454.84**	**229.86**
IV	**Tax expenses**				
	Current tax	14 (A)	157.65	131.37	82.88
	Deferred tax charge/(credit)	14 (A)	(5.15)	(5.45)	(16.15)
	Total tax expense (IV)		**152.50**	**125.92**	**66.73**
V	**Restated Profit for the year (III-IV)**		**456.34**	**328.92**	**163.13**
VI	**Restated other comprehensive income/(loss)**				
	Items that will not be reclassified to profit or loss				
	Re-measurement gain/ (loss) on defined benefit plans	24	(11.03)	(4.11)	(3.53)
	Restated Other comprehensive income/(loss) for the year, net of tax (VI)		(11.03)	(4.11)	(3.53)
VII	**Restated total comprehensive income for the year, net of tax (V-VI)**		**445.31**	**324.81**	**159.60**
VIII	**Less/(Add) Non Controlling Interest**		**(2.25)**	**(12.00)**	**(37.47)**
IX	**Total Comprehensive Income for the year (After Non Controlling Interest)**		**447.56**	**336.81**	**197.07**
	Restated earnings per equity share [nominal value of shares INR 10 each (Previous year INR 10 each)]				
	- Basic earnings per share (in INR)	25	9.17	6.82	4.01
	- Diluted earnings per share (in INR)	25	9.17	6.82	4.01

The above Statement should be read with the Significant Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Statements.

As per our report of even date

For Talati & Talati LLP
Chartered Accountants
(Firm Reg. No : 110758W/W100377)

Umesh Talati
(Partner)
Membership Number : 034834
Place : Ahmedabad
Date : September 23, 2024

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav Girishbhai Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : September 23, 2024

Palak D. Parekh
Company Secretary

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Restated Consolidated Cash Flow Statement

Particulars	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :-			
Restated profit before tax	608.84	454.84	229.86
Add/(Less): Exceptional Items			
Add/(Less): Other Compherensive Income	(11.03)	(4.11)	(3.53)
	597.81	450.73	226.33
Adjustments for :-			
Depreciation and Amortization	88.80	103.01	105.85
(Gain)/loss on Liquid Funds (Net)	(44.79)	(13.58)	-
Reversal on Sale of subsidiary	60.42	-	-
Interest Paid	229.63	190.28	187.95
Interest on Lease Liabilities*	0.95	1.51	1.66
Loss/(Profit) on Sale of Assets	(0.40)	(0.84)	(0.52)
Profit on Sale of Investments	(1.77)	(0.08)	(3.01)
Unrealised (gain)/loss of fair value on equity instruments*	(13.31)	5.51	(10.77)
Dividened Income	(0.52)	(0.52)	(0.25)
Exchange rate fluctuation and other related adjustments arising on consolidation	27.59	14.38	(2.98)
Fair Value Loss on Sundry Deposits*	-	-	1.41
Interest income on Security Deposits and EMD*	(3.57)	(2.39)	(1.42)
Interest income	(52.11)	(45.23)	(40.48)
Total	290.92	252.05	237.44
Operating profit before working capital changes	888.73	702.78	463.77
Adjustments for :-			
(Increase) / Decrease in trade and other receivables	(128.65)	138.28	(474.27)
(Increase) / Decrease in Inventories	(211.69)	289.47	(759.16)
Increase / (Decrease) in trade payables & other liabilities	(408.02)	(676.14)	904.00
Increase / (Decrease) in Other current liabilities	78.61	(66.95)	293.65
Increase / (Decrease) in Other Financial liabilities	19.73	23.27	4.44
Increase / (Decrease) in Short Term Provision	(5.38)	0.21	17.48
Total	(655.40)	(291.86)	(13.86)
Cash generated from operations	233.33	410.92	449.91
Direct taxes paid - Net of refunds	(181.30)	(121.22)	(83.23)
Total	(181.30)	(121.22)	(83.23)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**52.03**	**289.70**	**366.68**
B. CASH FLOW FROM INVESTING ACTIVITIES :-			
Purchase of fixed assets	(780.79)	(181.96)	(77.83)
Proceeds from Liquid Funds (Net)	44.79	13.58	
(Purchase) / sale of Investment	(2.74)	0.09	(12.75)
Sale of Fixed Assets	65.08	2.68	2.88
Loans and advances	(1.78)	0.42	22.08
Dividend Income	0.52	0.52	0.25
Interest Received	52.11	45.23	40.48
NET CASH FROM INVESTING ACTIVITES (B)	**(622.81)**	**(119.44)**	**(24.89)**
C. CASH FLOW FROM FINANCING ACTIVITIES :-			
Proceeds from Borrowings (Net)	119.94	478.39	(139.39)
Proceeds from Term Loan	441.00	13.26	-
Repayment of Lease Liability*	(8.11)	(3.99)	(5.86)
Finance cost paid	(229.63)	(190.28)	(187.95)
NET CASH FROM FINANCING ACTIVITIES (C)	**323.20**	**297.38**	**(333.20)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(247.58)**	**467.64**	**8.59**
Cash and cash equivalents at the beginning of the year	**981.99**	**514.35**	**505.76**
Cash and cash equivalents at the close of the year	**734.41**	**981.99**	**514.35**

*These amounts pertain to adjustments on conversion to IND AS from IGAAP

Components of cash and cash equivalents	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balances with banks in Current Accounts	233.16	259.90	70.95
Cash on hand	1.49	1.99	2.76
Other Bank Balances :	-	-	-
Balances with Banks in Fixed Deposits	449.26	720.10	440.64
In Liquid Funds	50.50	-	-
Net Cash and Cash Equivalents	**734.41**	**981.99**	**514.35**

The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

As per our report of even date

For Talati & Talati LLP
Chartered Accountants
(Firm Reg. No : 110758W/W100377)

Umesh Talati
(Partner)
Membership Number : 034834
Place : Ahmedabad
Date : September 23, 2024

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav Girishbhai Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : September 23, 2024

Palak D. Parekh
Company Secretary

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Restated Consolidated Statement of Changes in Equity

A) Equity share capital

Particulars	Equity Shares Number of Shares	Equity Shares INR millions
For the year ended 31 March 2024		
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1 April 2023	2,00,00,000	200.00
Changes in equity share capital#	3,00,00,000	300.00
Restated balance as at 1 April 2023	**5,00,00,000**	**500.00**
At 31 March 2024	**5,00,00,000**	**500.00**
For the year ended 31 March 2023		
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1 April 2022	2,00,00,000	200.00
Changes in equity share capital	-	-
Restated balance as at 1 April 2022	**2,00,00,000**	**200.00**
At 31 March 2023	**2,00,00,000**	**200.00**
For the year ended 31 March 2022		
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1 April 2021	2,00,00,000	200.00
Changes in equity share capital	-	-
Restated balance as at 1 April 2021	**2,00,00,000**	**200.00**
At 31 March 2022	**2,00,00,000**	**200.00**

The Board of Directors at its meeting held on October 9,2023 had approved the bonus issue of three new equity share for every two share held on record date which was approved by the shareholders by means of a special resolution dated September 30, 2023 Through a Board resolution dated October 9,2023, the Company has allotted 3,00,00,000 equity shares of Rs.10 each as bonus shares to the existing equity shareholders of the Company.

B) Other equity

	Reserves and Surplus				Total
	Capital Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings	
Restated balance as at 01 April 2023	-	14.38	24.04	1,566.70	1,605.12
Add/ (less):					
Profit/(loss) for the year	-	-	-	456.34	456.34
Less/(Add) Non Controlling Interest	-	-	-	(2.25)	(2.25)
Other comprehensive income for the period	-	-	-	(11.03)	(11.03)
Exchange difference on translation of foreign operations	-	15.22	-	-	15.22
Less: Reversal on Sale of Subsidiary	-	2.00	-	-	2.00
Bonus Issued during the year	-	-	-	(300.00)	(300.00)
Less: Reversal on Sale of Subsidiary	-	-	-	60.42	60.42
Balance As at 31 March 2024	**-**	**31.60**	**24.04**	**1,774.68**	**1,830.32**
Balance as at 1 April 2022	-	(2.98)	24.04	1,229.89	1,250.95
Changes in accounting policies or prior period errors	-	-	-	-	-
Restated balance as at 01 April 2022	-	(2.98)	24.04	1,229.89	1,250.95
Add/ (less):					
Profit/(loss) for the year	-	-	-	328.92	328.92
Less/(Add) Non Controlling Interest	-	-	-	(12.00)	(12.00)
Add: Comprehensive Income for the year	-	-	-	(4.11)	(4.11)
Exchange difference on translation of foreign operations	-	17.36	-	-	17.36
Balance As at 31 March 2023	**-**	**14.38**	**24.04**	**1,566.70**	**1,605.12**
Balance as at 1 April 2021	-	-	24.04	1,032.82	1,056.86
Changes in accounting policies or prior period errors	-	-	-	-	-
Restated balance as at 01 April 2021	-	-	24.04	1,032.82	1,056.86
Add/ (less):					
Profit/(loss) for the year	-	-	-	163.13	163.13
Less/(Add) Non Controlling Interest		-	-	(37.47)	(37.47)
Other comprehensive income for the period	-	-	-	(3.53)	(3.53)
Exchange difference on translation of foreign operations	-	(2.98)	-	-	(2.98)
Balance As at 31 March 2022	**-**	**(2.98)**	**24.04**	**1,229.89**	**1,250.95**

The above Statement should be read with the Significant Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Statements and Notes to Restated Consolidated Financial Statements.

As per our report of even date

For Talati & Talati LLP
Chartered Accountants
(Firm Reg. No : 110758W/W100377)

Umesh Talati
(Partner)
Membership Number : 034834
Place : Ahmedabad
Date : September 23, 2024

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav Girishbhai Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : September 23, 2024

Palak D. Parekh
Company Secretary

x) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2. Significant Material Accounting Policies

A. Use of Estimates

The preparation of financial statements is in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1) Useful lives and residual value of property, plant and equipment: Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

2) Impairment of financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3) Impairment of non-financial assets: Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of an asset, is the higher of, its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4) Employee benefits: The cost of the defined benefit and long-term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long-term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. There were qualifications in Audit Report of subsidiary Modtech Machines Pvt Ltd, which has ceased to be subsidiary of the company since May 23, 2023, in the Financial year ended on March 31, 2023 & March 31, 2022 which required adjustments in the Restated Consolidated Financial Statements which is accounting policy of providing for Long term employee benefits as per the Indian Accounting Standard 19, the company has made adjustments of providing long term employee benefits expense on accrual basis in the Restated consolidated Financial Statements. As the said subsidiary is no longer a subsidiary of the Company, said adjustment does not have any impact on the Company's Profitability or Statement of financial statements.

Note 1. Corporate Information

M & B ENGINEERING LIMITED ('the Holding Company or Company') was incorporated on 16th June, 1981. The Company's registered and corporate office is located at MB House, 51, Chandrodaya Society, Opp Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad, Gujarat, India, 380014. The Company is engaged in the business of Pre-Engineered Metal Buildings (PEB), Structural Steel, Self-Supported Steel Roofing and Components thereof.

These Restated Consolidated Financial Statements comprise the Company and its subsidiaries (referred to collectively as the 'Group').

The Group's Restated Consolidated Financial Statements for the year ended March 31 2024, March 31 2023 and March 31 2022 were authorized by Board of Directors on September 23, 2024.

Note 2 Basis of preparation and presentation of restated consolidated financial statements and Significant Accounting Policies

1. Basis of preparation and presentation of restated consolidated financial statements

This note provides a list of the significant accounting policies adopted in the preparation of these restated consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i) Compliance with IndAS

The Group's restated consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory regulations require a different treatment.

These Restated Consolidated Financial Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with its proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company 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 from time to time; and
(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

ii) The Restated Consolidated Financial Statements of the Company comprise of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2024 and 31 March 2023 and 31 March 2022, Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Cash Flow and Restated Consolidated Statement of Changes in Equity for the year ended 31 March 2024 and 31 March 2023 and 31 March 2022, the statement of Significant Accounting Policies and Notes to Restated Consolidated Financial Statements (collectively, the 'Restated Consolidated Financial Statements' or 'Statements').

iii) The Restated Consolidated Financial Statements have been compiled from:

- The Group's consolidated financial statement for the year ended March 31 2024 as authorized by Board of Directors on June 06, 2024.
- Audited Special Purpose Consolidated Financial Statements of the Company as at and for the year ended 31 March 2023 and 31 March 2022 prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 which have been approved by the Board of Directors at their meeting held on June 06, 2024.
- The consolidated financial statement for the period ended 31 March 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022. Upto the Financial year ended March 31, 2023, the Company prepared its consolidated financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS consolidated financial statements were prepared for the purpose of Initial Public Offer (IPO).
- The Special purpose Ind AS consolidated Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2021) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III of the Companies Act, 2013 disclosures followed as at and for the year ended March 31, 2024.

iv) In pursuance to ICDR Regulations, the Company is required to provide Financial Statements (FS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). To comply with such requirements, the company has prepared special purpose Ind AS financial statements for the financial years ending March 31, 2023 and March 31, 2022. The special purpose Ind AS financial statements with required restatement have been included in the restated consolidated financial statements prepared for the purpose of filing the DRHP.

v) The Restated consolidated Financial Statements have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:-

(i) Adjustments to the profits or losses of the earlier periods for the changes in accounting policies to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods and of material errors, wherever required;

(ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the years ended March 31, 2023, March 31, 2022, in order to bring them in line with the groupings as per the Restated Consolidated Financial Statements of the Company for the period ended March 31, 2024 and the requirements of the SEBI Regulations, wherever required; and

(iii) The resultant impact of tax due to the aforesaid adjustments, wherever required.

vi) The Restated consolidated Financial Statements are presented in Indian Rupees ('INR') which is holding company's functional currency, and all values are rounded to nearest millions (INR '000,000) upto two decimal places, except when otherwise indicated.

vii) The Restated Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

viii) Basis of measurement

The restated consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in certain equity shares of entities other than subsidiaries and associates	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

ix) Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the restated consolidated financial statements from the date on which control commences until the date on which control ceases.

The following subsidiary companies have been considered in the preparation of the Restated Consolidated Financial Statements:

Name of Entity	Country of Incorporation	Ownership held by	% of Holding & voting power as at		
			31-Mar-2024	31-Mar-2023	31-Mar-2022
Phenix Building Solutions Private Limited*	India	M & B Engineering Limited	100%	-	-
Modtech Machines Private Limited*	India	M & B Engineering Limited	-	51%	51%
Phenix Construction Technologies INC	USA	M & B Engineering Limited	100%	100%	100%

*Phenix Building Solutions Private Limited was acquired as subsidiary on 01st March, 2024. Modtech Machines Private Limited ceased to exist as a subsidiary on 23rd May, 2023.

5) Expense Provisions & contingent liabilities: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions are recognized only when: (i) the Group has a present obligation (legal or constructive) as a result of a past event; and (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. Contingent liability is disclosed in case of: (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and (ii) a present obligation arising from past events, when no reliable estimate is possible.

6) Valuation of deferred tax : Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Transaction or event which is recognized outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

B. Property Plant and Equipment and Intangible Assets

Tangible Assets: Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Capital Work in Progress: Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost comprises direct cost, related incidental expenses, pre-operative expenses, project expenses and for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Intangible Assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

C. Depreciation and amortization useful life of Property, Plant & Equipment and Intangible Assets

(i) For Holding Company

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. In respect of Tangible assets acquired during the year depreciation/amortization is charged on a written down value basis for "Proflex Systems" division & on straight line basis for "Phenix Construction Technologies" and "Phenix Infra", so as to write off the cost of the assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / disposals of the assets during the current reporting year is provided on pro-rata basis according to the period during which the assets are put to use. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %. Technical Knowhow is to be amortized over the period of 5 years as estimated by the management.

Lease hold land is amortized over the period of lease from the date of commercial production from plant over that lease hold land.

(ii) For Indian Subsidiary Company

Depreciation is provided on straight line method based on the estimated useful life of the assets as specified under Schedule Il of the-Companies Act, 2013.Pro-rata depreciation is charged on additions & deletions during the year. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %.

(ii) For Foreign Subsidiary Company

Depreciation is provided as per the Income Tax Rules of the foreign country in which such subsidiary is incorporated.

D. Impairment of Assets

The Group, at each balance sheet date, assesses whether there is any indication of impairment of any asset and / or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and / or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

E. Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

F. Inventory

Materials & Bought outs, Stock in Trade, Stores and Packing materials, Work in Progress and Finished Goods are valued at lower of cost (Weighted average basis) or net realizable value. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, where ever applicable.

G. Financial Instruments

i. Financial Assets

A. Initial recognition and measurement:

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.

B. Subsequent Measurement

a) Financial Assets measured at Amortized Cost (AC): A Financial Asset is measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI): A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL): A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

d) Other Equity Investments: All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments is recognized in Statement of Profit and loss when the Group's right to receive payment is established.

C. Impairment of financial assets

At each balance sheet date, the Group assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Group measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Group uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

ii. Financial Liabilities

A. Initial Recognition and Measurement: All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement: Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of financial assets and liabilities

The Group derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Cash & Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade Payables

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

Other financial assets and liabilities

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

H. Revenue Recognition

The Group recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price which is consideration adjusted for discounts, rebates, or other similar items, if any, specified in the contracts with the customers. Revenue excludes any amount collected as taxes on behalf of statutory authorities. The Group recognizes revenue, normally, at the point in time when the goods are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

All other incomes are accounted on accrual basis except insurance claim and dividend income, which is account for on receipt basis.

Export Incentives under various schemes are accounted in the year of realization of benefits.

I. Employee Benefits

Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined contribution plans:

The Group's contribution to provident fund considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

J. Leases

As a lessee, the Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Short-term leases and leases of low-value assets:

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

K. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements.

L. Taxation

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income. In which case, the tax is also recognized in Other Comprehensive Income.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

M. Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to acquisition / construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such asset is installed and put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

N. Segment Reporting

The Group deals in only 1 segment of Pre-Engineered Buildings, Structure Steels, Steel Roofing and Components thereof and hence requirement of Indian Accounting Standard 108 “Operating Segments” issued by ICAI are not applicable.

O. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential securities.

P. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(All amounts in INR Millions, except per share data and if otherwise stated)

3 Property, plant and equipment

Particulars	Land	Leasehold Land	Factory Building	Plant & Equipment	Electrical Installation	Furniture & Fixtures	Computer	Office Equipments	Vehicles	Motor Buses	Total	Capital work in Progress
Deemed cost (gross carrying amount)												
Balance As at 1 April 2021	**31.44**	**-**	**368.09**	**884.40**	**44.08**	**37.25**	**47.89**	**23.62**	**101.55**	**15.04**	**1,553.36**	**39.50**
Additions	-	-	45.17	15.33	1.20	0.85	2.66	2.46	23.64	6.86	98.17	2.24
Disposal/Adjustment	-	-	-	3.26	0.03	-	-	-	4.66	-	7.95	23.67
Balance As at 31 March 2022	**31.44**	**-**	**413.26**	**896.47**	**45.25**	**38.10**	**50.55**	**26.08**	**120.53**	**21.90**	**1,643.58**	**18.07**
Additions	2.83	119.68	1.77	30.05	0.35	0.62	2.34	1.96	19.97	-	179.57	0.50
Disposal/Adjustment	-	-	-	-	-	-	-	-	8.64	1.01	9.65	-
Balance As at 31 March 2023	**34.27**	**119.68**	**415.03**	**926.52**	**45.60**	**38.72**	**52.89**	**28.04**	**131.86**	**20.89**	**1,813.50**	**18.57**
Additions	4.36	-	-	39.55	17.48	0.18	4.77	7.47	52.23	-	126.04	654.50
Disposal/Adjustment	2.87	-	50.54	14.99	2.06	8.24	8.07	3.44	24.57	-	114.78	10.81
Balance As at 31 March 2024	**35.76**	**119.68**	**364.49**	**951.08**	**61.02**	**30.66**	**49.59**	**32.07**	**159.52**	**20.89**	**1,824.76**	**662.26**

Particulars	Land	Leasehold Land	Factory Building	Plant & Equipment	Electrical Installation	Furniture & Fixtures	Computer	Office Equipments	Vehicles	Motor Buses	Total	Capital work in Progress
Accumulated depreciation												
Balance as at 1 April 2021	**-**	**-**	**129.19**	**594.32**	**36.84**	**25.34**	**39.23**	**17.37**	**68.83**	**4.46**	**915.58**	**-**
Charge for the year	-	-	14.13	48.46	1.22	2.24	5.39	1.95	9.08	1.84	84.31	-
Disposal/Adjustment	-	-	-	3.05	-	-	-	-	2.54	-	5.59	-
Balance As at 31 March 2022	**-**	**-**	**143.32**	**639.73**	**38.06**	**27.58**	**44.62**	**19.32**	**75.37**	**6.30**	**994.30**	**-**
Charge for the year	-	-	14.51	48.15	1.15	2.07	3.01	2.86	9.35	2.62	83.72	-
Disposal/Adjustment	-	-	-	-	-	-	-	-	6.85	0.96	7.81	-
Balance As at 31 March 2023	**-**	**-**	**157.83**	**687.88**	**39.21**	**29.65**	**47.63**	**22.18**	**77.87**	**7.96**	**1,070.21**	**-**
Charge for the year	-	-	11.89	38.14	1.78	1.24	2.69	4.00	11.13	2.55	73.42	-
Disposal/Adjustment	-	-	21.68	12.97	1.64	6.25	6.95	3.12	21.59	-	74.20	-
Balance As at 31 March 2024	**-**	**-**	**148.04**	**713.05**	**39.35**	**24.64**	**43.37**	**23.06**	**67.41**	**10.51**	**1,069.43**	**-**

Particulars	Land	Leasehold Land	Factory Building	Plant & Equipment	Electrical Installation	Furniture & Fixtures	Computer	Office Equipments	Vehicles	Motor Buses	Total	Capital work in Progress
Net Block												
Balance as at 31 March 2022	**31.44**	**-**	**269.94**	**256.74**	**7.19**	**10.52**	**5.93**	**6.76**	**45.16**	**15.60**	**649.28**	**18.07**
Balance as at 31 March 2023	**34.27**	**119.68**	**257.20**	**238.64**	**6.39**	**9.07**	**5.26**	**5.86**	**53.99**	**12.93**	**743.29**	**18.57**
Balance As at 31 March 2024	**35.76**	**119.68**	**216.45**	**238.03**	**21.67**	**6.02**	**6.22**	**9.01**	**92.11**	**10.38**	**755.33**	**662.26**

Notes:
i) On transition to Ind AS (i.e. 01 April 2021), the Group has elected to continue with the carrying value of all property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

ii) No Immovable Property is held by the Company Jointly with others as on the Balance Sheet date.

iii) There are no projects under CWIP which are overdue or which have exceeded its planned cost.

iv) Capital work in progress (CWIP) Ageing Schedule

	Amount in CWIP for a period of				
As at 31 March 2024	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR Millions	INR Millions	INR Millions	INR Millions	INR Millions
Projects in progress	654.50	0.50	2.24	5.02	**662.26**
Total	654.50	0.50	2.24	5.02	662.26
As at 31 March 2023					
Projects in progress	0.50	2.24	14.08	1.75	**18.57**
Total	0.50	2.24	14.08	1.75	18.57
As at 31 March 2022					
Projects in progress	2.24	14.08	1.75	-	**18.07**
Total	2.24	14.08	1.75	-	18.07

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Notes to Restated Consolidated Financial Statements

3 (A) Intangible assets

Particulars	Computer Softwares	Goodwill	Technical Know How	Total
Gross Block				
As at 31 March 2021	**94.16**	**9.88**	**32.44**	**136.48**
Additions	1.09	-	-	1.09
Disposal	-	-	-	-
As at 31 March 2022	**95.25**	**9.88**	**32.44**	**137.57**
Additions	1.89	-	-	1.89
Disposal	-	-	-	-
As at 31 March 2023	**97.14**	**9.88**	**32.44**	**139.46**
Additions	0.17	0.08	-	0.25
Disposal	-	9.88	15.59	25.47
As at 31 March 2024	**97.31**	**0.08**	**16.85**	**114.24**

Particulars	Computer Softwares	Goodwill	Technical Know How	Total
Accumulated Amortization				
As at 31 March 2021	**60.71**		**16.96**	**77.67**
Charge for the year (refer note 21)	9.99	-	6.00	15.99
Disposal	-	-	-	-
As at 31 March 2022	**70.70**	**-**	**22.96**	**93.66**
Charge for the year (refer note 21)	9.13	-	3.51	12.64
Disposal	-	-	-	-
As at 31 March 2023	**79.83**	**-**	**26.46**	**106.29**
Charge for the year (refer note 21)	8.02	-	0.74	8.76
Disposal	-	-	12.18	12.18
As at 31 March 2024	**87.85**	-	**15.02**	**102.87**

Particulars	Computer Softwares	Goodwill	Technical Know How	Total
Net Block:				
As at 31 March 2022	**24.55**	**9.88**	**9.48**	**43.91**
As at 31 March 2023	**17.31**	**9.88**	**5.98**	**33.17**
As at 31 March 2024	**9.46**	**0.08**	**1.83**	**11.37**

(All amounts in INR Millions, except per share data and if otherwise stated)

4 Right of use Assets

Particulars	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
As at April 1, 2021	**20.89**	**-**	**20.89**
Additions	-	5.55	
Disposal	-	-	
As at 31 March 2022	**20.89**	**5.55**	**15.34**
Additions	3.29	6.65	
Disposal	-	-	
As at 31 March 2023	**24.18**	**12.20**	**11.98**
Additions	-	6.62	
Disposal	-	-	
As at 31 March 2024	**24.18**	**18.82**	**5.36**

(All amounts in INR Millions, except per share data and if otherwise stated)

5 Financial assets

(A) Investments

Particulars	Non Current As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Investments in Equity Instruments			
Quoted			
At Fair value through Profit and loss			
SBI Card and Payment Services Limited	-	9.05	10.42
NIL [As at 31.03.2023 & 31.03.2022: 12,237] Equity Share of Face Value of Rs 10/- each			
Bajaj Finserv Limited	-	12.67	17.06
NIL [As at 31.03.2023 & 31.03.2022: 1,000] Equity Share of Face Value of Rs 5/- each			
ICICI Bank Limited	20.34	16.32	13.58
18600 [As at 31.03.2023 & 31.03.2022: 18,600] Equity Share of Face Value of Rs 2/- each			
Reliance Industries Limited	1.10	0.86	0.97
369 right shares fully paid up [As at 31.03.2023 & 31.03.2022 : 369] Equity Share of Face Value of Rs 10/- each			
Tata Steel Limited	9.66	6.48	8.11
6,200 [As at 31.03.2023 & 31.03.2022: 6,200] Equity Shares of Face Value of Rs 1/- each			
Titan Company Limited	1.98	1.31	1.32
520 [As at 31.03.2023 & 31.03.2022: 520] Equity Shares of Face Value of Rs 1 /- each			
Tata Consultancy Services Limited	1.16	0.96	1.12
300 [As at 31.03.2023 & 31.03.2022: 300] Equity Shares of Face Value of Rs 1 /- each			
Adani Ports And Special Economic Zone Limited	2.68	1.26	1.55
2000 [As at 31.03.2023 & 31.03.2022: 2000] Equity Shares of Face Value of Rs 2/- each			
Infosys Limited	1.20	1.14	1.53
800 [As at 31.03.2023 & 31.03.2022: 800] Equity Shares of Face Value of Rs 5 /- each			
HDFC Bank Limited	1.01	1.12	1.03
700 [As at 31.03.2023 & 31.03.2022: 700] Equity Shares of Face Value of Rs 1 /- each			
Samvardhana Shares	11.71	-	-
1,00,000 [As at 31.03.2023 & 31.03.2022: NIL] Equity Share of Face Value of Rs 1 /- each			
Jio Financial Services	0.13	-	-
369 [As at 31.03.2023 & 31.03.2022: NIL] Equity Share of Face Value of Rs 10/- each			
Bharat Bijlee Ltd.	6.74	-	-
1,050 [As at 31.03.2023 & 31.03.2022: NIL] Equity Share of Face Value of Rs 10/- each			
Cyient Ltd Shares	5.39	-	-
2,700 [As at 31.03.2023 & 31.03.2022: NIL] Equity Share of Face Value of Rs 5/- each			
Ingersoll Rand India	5.89	-	-
1,600 [As at 31.03.2023 & 31.03.2022: NIL] Equity Share of Face Value of Rs 10/- each			
Total Investment	**68.99**	**51.17**	**56.69**
Disclosure of Aggregate and Market Value of Investments:			
Aggregate amount of quoted Investments	68.99	51.17	56.69
Aggregate Market Value of Investments	68.99	51.17	56.69

(All amounts in INR Millions, except per share data and if otherwise stated)

(B) Trade receivables

Particulars	Current As at 31 March 2024	Current As at 31 March 2023	Current As at 31 March 2022
Overdue for More Than Six Months	442.71	175.87	126.72
Other	946.89	1,016.28	1,073.60
Total trade receivables	**1,389.60**	**1,192.15**	**1,200.32**

Trade receivables Ageing Schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
- Considered good	946.89	182.43	152.50	29.12	22.42	1,333.36
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	56.24	56.24
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Total Trade Receivables	**946.89**	**182.43**	**152.50**	**29.12**	**78.66**	**1,389.60**

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
- Considered good	1,016.28	93.64	25.59	3.38	31.51	1,170.40
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	-	-	-	-	21.75	21.75
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Total Trade Receivables	**1,016.28**	**93.64**	**25.59**	**3.38**	**53.26**	**1,192.15**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
- Considered good	1,072.77	59.71	28.27	6.17	5.93	1,172.85
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Disputed						
- Considered good	0.83	0.41	0.77	-	25.46	27.47
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
Total Trade Receivables	**1,073.60**	**60.12**	**29.04**	**6.17**	**31.39**	**1,200.32**

(All amounts in INR Millions, except per share data and if otherwise stated)

(C) Cash and bank balances

Particulars	Current As at 31 March 2024	Current As at 31 March 2023	Current As at 31 March 2022
Cash and Cash Equivalents :			
-Balances with banks in Current Accounts	233.16	259.90	70.95
-Cash on hand	1.49	1.99	2.76
Other Bank Balances :			
-Balances with Banks in Fixed Deposits	449.26	720.10	440.64
-In Liquid Funds	50.50	-	-
Total cash and bank balances	**734.41**	**981.99**	**514.35**

(D) Other bank balances other than above

Particulars	Current As at 31 March 2024	Current As at 31 March 2023	Current As at 31 March 2022
Margin Money Deposits	257.91	274.09	410.20
Total other bank balances	**257.91**	**274.09**	**410.20**

(E) Loans

Particulars	Non - Current As at 31 March 2024	Non - Current As at 31 March 2023	Non - Current As at 31 March 2022	Current As at 31 March 2024	Current As at 31 March 2023	Current As at 31 March 2022
Inter Corporate Deposit	3.00	3.00	3.00	-	-	-
Loans and Advances to Employees	-	-	-	4.56	2.78	3.20
Total loans	**3.00**	**3.00**	**3.00**	**4.56**	**2.78**	**3.20**

(F) Other financial assets

Unsecured considered good unless otherwise stated

Particulars	Non - Current As at 31 March 2024	Non - Current As at 31 March 2023	Non - Current As at 31 March 2022	Current As at 31 March 2024	Current As at 31 March 2023	Current As at 31 March 2022
Trade and Security Deposits	35.20	44.48	68.59	-	-	-
Interest Receivable	-	-	-	2.37	3.15	1.84
Total other financial assets	**35.20**	**44.48**	**68.59**	**2.37**	**3.15**	**1.84**

(All amounts in INR Millions, except per share data and if otherwise stated)

6 Other assets

Particulars	Non - Current			Current		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured considered good unless otherwise stated						
Advances to Suppliers	-	-	-	141.43	88.09	64.15
Balance with Government Authorities	-	-	-	248.49	342.92	350.91
Advances to Employees	-	-	-	6.14	15.02	13.40
Prepaid Expenses	-	-	-	42.09	35.69	21.79
Others	-	-	-	0.02	-	0.27
Unamortised share issue expenses*	-	-	-	4.56	-	-
Total other assets	**-**	**-**	**-**	**442.73**	**481.72**	**450.52**

* During the Year ended 31st March 2024, the Company incurred expenses in connection with the proposed Initial Public Offer (IPO) of equity shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. In relation to the IPO expenses incurred till date, except for listing fees which shall be solely borne by the Company, all other expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued and allotted by the Company in the fresh issue and the offered shares sold by the selling shareholders in the offer for sale.

7 Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Materials & Bought Outs	1,584.43	1,412.79	1,619.27
Work in Progress	63.18	104.36	122.40
Finished Goods	164.65	97.52	114.17
Stock in Trade	29.06	11.36	93.06
Stores & Packing Materials	116.70	120.30	86.90
Total inventories	**1,958.02**	**1,746.33**	**2,035.80**

8 Equity share capital

(A) Authorised equity share capital:

	Equity shares	
	Number of shares	**Amount in INR Millions**
As at 1 April 2021	**3,00,00,000**	**300.00**
Increase/ (decrease) during the year	-	-
As at 31 March 2022	**3,00,00,000**	**300.00**
Increase/ (decrease) during the year	-	-
As at 31 March 2023	**3,00,00,000**	**300.00**
Increase/ (decrease) during the year	4,50,00,000	450.00
As at 31 March 2024	**7,50,00,000**	**750.00**

(B) i) Terms and 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 shares.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(C) Issued, subscribed and fully paid-up shares #

(Equity shares of INR 10 each)	**Number of shares**	**INR in Millions**
As at 1 April 2021	2,00,00,000	200.00
Increase/ (decrease) during the year	-	-
As at 31 March 2022	**2,00,00,000**	**200.00**
Increase/ (decrease) during the year	-	-
As at 31 March 2023	**2,00,00,000**	**200.00**
Increase/ (decrease) during the year#	3,00,00,000	300.00
As at 31 March 2024	**5,00,00,000**	**500.00**

The Board of Directors at its meeting held on October 9,2023 had approved the bonus issue of three new equity share for every two share held on record date which was approved by the shareholders by means of a special resolution dated September 30, 2023 Through a Board resolution dated October 9,2023, the Company has allotted 3,00,00,000 equity shares of Rs.10 each as bonus shares to the existing equity shareholders of the Company.

(D) Details of shareholders holding more than 5% shares in the Group:

Name of the shareholder	**As at 31 March 2024**		**As at 31 March 2023**		**As at 31 March 2022**	
	Number of shares	**%**	**Number of shares**	**%**	**Number of shares**	**%**
Chirag Hasmukhbhai Patel	1,75,00,000	35.00%	70,00,000	35.00%	42,00,000	21.00%
Late Hasmukhbhai Shivabhai Patel*	-	-	-	-	28,00,000	14.00%
Malav Girishbhai Patel	70,00,000	14.00%	28,00,000	14.00%	28,00,000	14.00%
Girishbhai Manibhai Patel	1,35,00,000	27.00%	54,00,000	27.00%	54,00,000	27.00%
Birva Chirag Patel	50,00,000	10.00%	20,00,000	10.00%	20,00,000	10.00%
Vipinbhai Kantilal Patel (jointly held by Leenaben Vipinbhai Patel)	25,00,000	5.00%	10,00,000	5.00%	10,00,000	5.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

*Shares held by Late Hasumukhbhai Shivabhai Patel has been transferred to Chirag Hasmukhbhai Patel on 01 March 2023.

(All amounts in INR Millions, except per share data and if otherwise stated)

(E) Promoter shareholding :

Details of shares held by Promoters

As at 31 March 2024

	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Chirag Hasmukhbhai Patel	70,00,000	**1,05,00,000**	1,75,00,000	**35.00%**	**150.00%**
	Malav Girishbhai Patel	28,00,000	**42,00,000**	70,00,000	**14.00%**	**150.00%**
	Girishbhai Manibhai Patel	54,00,000	**81,00,000**	1,35,00,000	**27.00%**	**150.00%**
	Birva Chirag Patel	20,00,000	**30,00,000**	50,00,000	**10.00%**	**150.00%**
	Vipinbhai Kantilal Patel (jointly held by Leenaben Vipinbhai Patel)	10,00,000	**15,00,000**	25,00,000	**5.00%**	**150.00%**
	Leenaben Vipinbhai Patel (jointly held by Vipinbhai Kantilal Patel)	4,00,000	**6,00,000**	10,00,000	**2.00%**	**150.00%**
	Aditya Vipinbhai Patel	6,00,000	**9,00,000**	15,00,000	**3.00%**	**150.00%**
Total		**1,92,00,000**	**2,88,00,000**	**4,80,00,000**	**96.00%**	

As at 31 March 2023

	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Chirag Hasmukhbhai Patel	42,00,000	**28,00,000**	70,00,000	**35.00%**	**66.67%**
	Late Hasmukhbhai Shivabhai Patel*	28,00,000	**(28,00,000)**	-	**0.00%**	**-100.00%**
	Malav Girishbhai Patel	28,00,000	**-**	28,00,000	**14.00%**	**0.00%**
	Girishbhai Manibhai Patel	54,00,000	**-**	54,00,000	**27.00%**	**0.00%**
	Birva Chirag Patel	20,00,000	**-**	20,00,000	**10.00%**	**0.00%**
	Vipinbhai Kantilal Patel (jointly held by Leenaben Vipinbhai Patel)	10,00,000	**-**	10,00,000	**5.00%**	**0.00%**
	Leenaben Vipinbhai Patel (jointly held by Vipinbhai Kantilal Patel)	4,00,000	**-**	4,00,000	**2.00%**	**0.00%**
	Aditya Vipinbhai Patel	6,00,000	**-**	6,00,000	**3.00%**	**0.00%**
Total		**1,92,00,000**	**-**	**1,92,00,000**	**96.00%**	

*Shares held by Late Hasumukhbhai Shivabhai Patel has been transferred to Chirag Hasmukhbhai Patel on 01 March 2023.

As at 31 March 2022

	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Chirag Hasmukhbhai Patel	42,00,000	**-**	42,00,000	**21.00%**	**0.00%**
	Late Hasmukhbhai Shivabhai Patel	28,00,000	**-**	28,00,000	**14.00%**	**0.00%**
	Malav Girishbhai Patel	28,00,000	**-**	28,00,000	**14.00%**	**0.00%**
	Girishbhai Manibhai Patel	54,00,000	**-**	54,00,000	**27.00%**	**0.00%**
	Birva Chirag Patel	20,00,000	**-**	20,00,000	**10.00%**	**0.00%**
	Vipinbhai Kantilal Patel (jointly held by Leenaben Vipinbhai Patel)	10,00,000	**-**	10,00,000	**5.00%**	**0.00%**
	Leenaben Vipinbhai Patel (jointly held by Vipinbhai Kantilal Patel)	4,00,000	**-**	4,00,000	**2.00%**	**0.00%**
	Aditya Vipinbhai Patel	6,00,000	**-**	6,00,000	**3.00%**	**0.00%**
Total		**1,92,00,000**	**-**	**1,92,00,000**	**96.00%**	

(All amounts in INR Millions, except per share data and if otherwise stated)

9 Other equity

	Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(A)	**Capital Reserve**			
	Opening balance	-	-	-
	Increase/(decrease) during the year	-	-	-
	Closing balance	**-**	**-**	**-**
(B)	**Foreign Currency Translation Reserve :**			
	Opening balance	**14.38**	**(2.98)**	**-**
	Increase/(decrease) during the year	15.22	17.36	(2.98)
	Less: Reversal on Sale of Subsidiary	2.00	-	-
	Closing balance	**31.60**	**14.38**	**(2.98)**
(C)	**General Reserve :**			
	Opening balance	**24.04**	**24.04**	**24.04**
	Increase/ (decrease) during the year	-	-	-
	Closing balance	**24.04**	**24.04**	**24.04**
(D)	**Retained earnings**			
	Opening Balance	**1,566.70**	**1,229.89**	**1,032.82**
	Add : Profit for the year	456.34	328.92	163.13
	Less/(Add) Non Controlling Interest	(2.25)	(12.00)	(37.47)
	Add: Comprehensive Income for the year	(11.03)	(4.11)	(3.53)
	Bonus Issued during the year	(300.00)	-	-
	Less: Reversal on Sale of Subsidiary	60.42	-	-
	Closing balance	**1,774.68**	**1,566.70**	**1,229.89**
	Total other equity	**1,830.32**	**1,605.12**	**1,250.95**

(All amounts in INR Millions, except per share data and if otherwise stated)

10 Borrowings

(A)

Non-current borrowings	**Non-current portion**			**Current maturities**		
Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Secured						
Vehicle loans - from Banks	27.93	11.48	11.29	16.26	11.77	11.43
Term Loans - from Banks	400.00	-	-	-	-	-
Unsecured						
Loans from Related parites (Refer Note 28)	10.90	881.22	652.23	-	-	-
Term Loans - from Banks				-	3.20	3.45
	438.83	**892.70**	**663.52**	**16.26**	**14.97**	**14.88**
Less: current maturities of long term debts disclosed under 'current borrowings' (refer note (B))	-	-	-	(16.26)	(14.97)	(14.88)
Total non-current borrowings	**438.83**	**892.70**	**663.52**	**-**	**-**	**-**

Security clauses

Name of Lender	**Repayment Terms and Interest Rates**	**Nature of Security**	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Term Loans :					
Standard Chartered Bank	Repayable in 16 equal quarterly installments commencing from 26th June 2025. Interest Payable at 9.55%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant.	200.00	-	-
Kotak Mahindra Bank	Repayable in 24 equal quarterly installments commencing from 09th October 2025. Interest Payable at 8.85%	First Charge on Pari Passu basis on Mortgage of Land & Building of Cheyyar Plant, Hypothecation of Plant & Machineries at Cheyyar Plant and guaranteed by Directors. (Refer Note 28)	200.00	-	-
Bajaj Finance Limited	Repayable on demand. Interest Rate ranging from 7.66% to 11.00%	Unsecured	-	3.20	3.45
Vehicle Loans :					
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th December 2023. Interest Payable at 8.55%	Hypothecation of the vehicle.	17.74	-	-
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th October 2023. Interest Payable at 8.80%	Hypothecation of the vehicle.	18.58	-	-
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 07th December 2022. Interest Payable at 7.90%	Hypothecation of the vehicle.	2.05	3.00	-
ICICI Bank Limited	Repayable in 36 equal monthly installments commencing on 05th January 2022. Interest Payable at 8.50%	Hypothecation of the vehicle.	3.95	5.96	-
HDFC Bank Limited	Repayable in 39 equal monthly installments commencing on 05th October 2022. Interest Payable at 11.89%	Hypothecation of the vehicle.	1.87	2.99	-
Kotak Mahindra Prime Limited	Repayable in 60 equal monthly installments commencing on 05th January 2019. Interest Payable at 9.25%	Hypothecation of the vehicle.	-	0.13	0.28
Tata Motors Finance Limited	Repayable in 60 equal monthly installments commencing on 02nd March 2019. Interest Payable at 9.21%	Hypothecation of the vehicle.	-	0.47	0.94
Tata Motors Finance Limited	Repayable in 60 equal monthly installments commencing on 02nd March 2019. Interest Payable at 9.21%	Hypothecation of the vehicle.	-	0.47	0.94
HDFC Bank Limited	Repayable in 60 equal monthly installments commencing on 05th October 2018. Interest Payable at 8.50%	Hypothecation of the vehicle.	-	1.51	4.34
Kotak Mahindra Prime Limited	Repayable in 36 equal monthly installments commencing on 05th Feb 2020. Interest Payable at 8.50%	Hypothecation of the vehicle.	-	-	0.47
HDFC Bank Limited	Repayable in 60 equal monthly installments commencing on 07th September 2017. Interest Payable at 8.35%	Hypothecation of the vehicle.	-	-	0.07
Kotak Mahindra Bank	Repayable in 48 equal monthly installments commencing on 19th December 2020. Interest Rate ranging from 7.66% to 11.00%	Hypothecation of the vehicle.	-	7.30	12.68
Standard Chartered Bank	Repayable in 36 equal monthly installments commencing on 01st August 2021. Interest Rate ranging from 7.66% to 11.00%	Hypothecation of the vehicle.	-	0.70	1.17
Daimler Financial Services India Private Limited	Repayable on demand. Interest Rate ranging from 7.66% to 11.00%	Hypothecation of the vehicle.	-	0.72	1.83

(All amounts in INR Millions, except per share data and if otherwise stated)

(B) Current borrowings

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Secured			
Working Capital loan from Banks	569.20	187.64	71.39
Buyer's Credit	1,024.13	379.26	241.23
Current Maturities of long term debt	16.26	14.97	14.88
Unsecured			
Loan from Related Parties (Refer Note 28)	-	12.91	4.81
Total current borrowings	**1,609.59**	**594.78**	**332.31**

11 Other financial liabilities

	Current		
Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Other Payables	124.49	104.76	81.49
Total other financial liabilities	**124.49**	**104.76**	**81.49**

11 (A) Lease Liabilities

	Non - Current			Current		
Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Lease liabilities	2.01	5.51	10.04	4.43	8.09	6.04
Total lease liabilities	**2.01**	**5.51**	**10.04**	**4.43**	**8.09**	**6.04**

12 Short term provisions

	Current		
Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Provision for current tax (net of advance tax and TDS receivable)	1.44	25.56	14.79
Provision for Employee Benefits	103.26	108.64	108.43
Total short term provisions	**104.70**	**134.20**	**123.22**

(All amounts in INR Millions, except per share data and if otherwise stated)

13 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Other payables			
Statutory Dues	32.03	23.42	32.90
Advance from customers	707.95	637.95	691.25
Other Liabilities	-	-	4.17
Total other current liabilities	**739.98**	**661.37**	**728.32**

14 Income tax

(A) The major components of income tax expense for the period ended 31 March 2024,31 March 2023 and year ended 31 March 2022 are:

Statement of profit and loss:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
a) Income tax expense reported in the profit or loss section			
Current income tax:			
- Current income tax charge	157.65	131.37	82.88
- Adjustments of tax related to earlier years	-	-	
Deferred tax:			
- As per Note 14 (B)	(5.15)	(5.45)	(16.15)
Income tax expense reported in the profit or loss section	**152.50**	**125.92**	**66.73**

(B) Deferred tax

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening Balance	**49.82**	**55.27**	**71.42**
Add: Existing Deferred Tax Liability of subsidiary acquired during the year	0.08	-	-
Deferred tax (asset)/liability on the following items			
Provision for Gratuity	-	-	-
On Account of Depreciation	(3.77)	(4.88)	(17.27)
Lease Liability	-	-	-
Deferred tax (asset)/liability on the following items	-	-	-
Tax on fair value changes in equity instruments through Profit and Loss	(1.38)	(0.57)	1.12
Less: Reversal on Sale of Subsidiary	(1.13)	-	-
Deferred Tax Liabilities (net)	**43.62**	**49.82**	**55.27**

15 Trade Payables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
-Total outstanding dues of micro enterprises and small enterprises #	26.12	130.92	52.91
-Total outstanding dues of creditors other than micro enterprises and small enterprises	907.02	1,210.24	1,964.39
Total trade payables	**933.14**	**1,341.16**	**2,017.30**

Trade Payable Ageing Schedule

As at 31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR millions	INR millions	INR millions	INR millions	INR millions
Total outstanding dues of micro enterprises and small enterprises	26.12	-	-	-	26.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	901.23	3.13	0.77	1.89	907.02
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total trade payables	**927.35**	**3.13**	**0.77**	**1.89**	**933.14**

As at 31 March 2023	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR millions	INR millions	INR millions	INR millions	INR millions
Total outstanding dues of micro enterprises and small enterprises	130.92	-	-	-	130.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,208.76	0.27	0.42	0.79	1,210.24
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total trade payables	**1,339.68**	**0.27**	**0.42**	**0.79**	**1,341.16**

As at 31 March 2022	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
	INR millions	INR millions	INR millions	INR millions	INR millions
Total outstanding dues of micro enterprises and small enterprises	52.91	-	-	-	52.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,963.75	0.38	0.08	0.18	1,964.39
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total trade payables	**2,016.66**	**0.38**	**0.08**	**0.18**	**2,017.30**

 # Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
Principal amount due to micro and small enterprises	26.12	130.92	52.91
Interest due on above	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

(All amounts in INR Millions, except per share data and if otherwise stated)

16 Revenue From Operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Products			
Within India	7,146.85	7,654.06	5,795.47
Outside India	191.99	602.57	761.20
Sale of Services			
Sales from Erection services	611.76	548.07	325.58
Total Revenue from operations	**7,950.60**	**8,804.70**	**6,882.25**

17 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income	52.11	45.23	40.48
Gain on Liquid Funds	44.79	13.58	-
Profit on Sale of Investment	1.77	0.08	3.01
Unrealised gain of fair value on equity instruments	13.31	-	10.77
Profit on Sale of Assets	0.40	0.84	0.52
Bad debts written back	1.22	13.27	33.34
Export Incentives	2.65	5.74	5.49
Exchange Fluctuation (Net)	6.43	-	7.49
Other Non-operating income :			
Interest on Security Deposit	0.18	0.16	0.15
Interest on EMD Deposit	3.39	2.23	1.27
Miscellaneous Income	5.75	4.21	4.46
Total other income	**132.00**	**85.34**	**106.98**

(All amounts in INR Millions, except per share data and if otherwise stated)

18 Cost of Material Consumed and Operational Expenses

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
-(i) Cost of Material Consumed	5,145.55	5,935.92	4,693.04
-(ii) Stores & Spares Consumed	46.54	49.48	43.03
-(iii) Operational Expenses (As per Statement No 1)	579.60	577.98	431.23
Total cost of material consumed and operational expenses	**5,771.69**	**6,563.38**	**5,167.30**

Statement 1

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Crane Hire Charges	25.01	33.93	31.64
Entry Tax & Toll Tax	5.85	6.82	6.15
Labour Charges	7.61	5.65	6.14
Erection Charges	431.51	415.39	286.11
Site Exp Diesel	29.77	36.19	31.27
Site Exp Lodging & Boarding	34.28	36.39	32.78
Site Exp Stationary	0.78	0.70	0.61
Site Exp-Conveyance	27.40	25.57	23.30
Site Exp-Maintainance	3.94	3.54	2.52
Site Exp-Others	13.44	13.79	10.70
Site Exp-Telephone	0.01	0.01	0.01
Total operational Expenses	**579.60**	**577.98**	**431.23**

(All amounts in INR Millions, except per share data and if otherwise stated)

19 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Stock at the end of the year			
Work in Progress	63.18	104.36	122.40
Stock in Trade	29.06	11.36	93.06
Finished Goods	164.65	97.52	114.17
Stock at the beginning of the year			
Work in Progress*	110.30	122.40	68.52
Stock in Trade	11.36	93.06	-
Finished Goods	97.52	114.17	46.31
Total changes in inventories of finished goods, stock in trade and work in progress	**(37.71)**	**116.39**	**(214.80)**

*Stock at the beginning of the year of Work in Progress for the year ended 31st March 2024 includes INR 5.94 Millions which relates to subsidiary acquired during the financial year 2023-24

20 Employee benefits expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and Wages	727.89	684.29	643.11
Contribution to Provident and other Funds	39.60	29.20	33.82
Staff welfare	41.60	40.03	28.69
Total employee benefits expenses	**809.09**	**753.52**	**705.62**

21 Depreciation and amortization expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on Property, Plant and Equipment (refer note 3)	73.42	83.72	84.31
Amortization of intangible assets (refer note 3 (A))	8.76	12.64	15.99
Depreciation on right of use assets (refer note 4)	6.62	6.65	5.55
Total depreciation and amortization expense	**88.80**	**103.01**	**105.85**

(All amounts in INR Millions, except per share data and if otherwise stated)

22 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Power & Fuel	29.13	26.64	22.69
Rent	10.65	8.00	10.30
Repairs To :			
(i) Machinery	22.82	23.20	19.21
(ii) Building	0.94	13.74	12.40
(iii) Others	2.68	1.32	1.99
Unrealised loss of fair value on equity instruments	-	5.51	-
Insurance	10.41	9.97	11.53
Rates & Taxes	2.02	5.56	5.01
Auditor's Remuneration (Refer Note No: 22 (A))	2.88	2.25	2.27
Postage, Telegram and Telephone	3.92	5.73	5.35
Stationery, Printing Expenses	8.34	6.99	8.63
Factory Expenses	11.02	7.08	9.41
Conveyance and Vehicle Expenses	45.91	40.31	38.26
Legal & Consultancy	36.02	41.44	30.54
Staff Recruitment & Staff Training Expenses	2.70	2.52	0.65
Travelling Expenses	30.65	40.46	24.67
Electric Expense	2.43	2.16	2.06
Exchange Fluctuation (Net)	-	16.05	-
Bad Debt written off	55.73	19.27	52.36
Sundry Balance written off	0.68	1.30	0.73
Advertisement & Publicity Expenses	2.25	2.81	5.50
Packing Expenses	4.42	3.97	3.54
Sales Commission	5.21	7.07	4.98
Transportation Outward Expenses	145.88	156.65	116.11
Export Expenses	12.54	119.39	292.73
Miscellaneous Expenses	31.10	19.22	27.24
Manpower Supply (Contractual Labour)	108.96	100.03	82.55
Security Expenses	6.27	4.27	4.33
Corporate Social Responsibility (Refer Note 22 (B))	6.53	4.13	3.42
Donation	0.08	0.08	1.40
Exhibition Expenses	1.61	2.24	0.11
Sales Promotion Expenses	1.01	4.05	3.79
Fair Value Loss on Sundry Deposits	-	-	1.41
Conference Expenses	6.52	3.70	0.62
Total other expenses	**611.31**	**707.11**	**805.79**

(All amounts in INR Millions, except per share data and if otherwise stated)

22 (A) Payment to auditors :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
As Audit Fees	2.67	2.10	1.98
For Tax Audit Fees & Other Taxation Fee	0.03	0.07	0.03
For Other Matters	0.18	0.08	0.26
Total payment to auditors	**2.88**	**2.25**	**2.27**

22 (B) Details of Corporate social responsibility expenditure:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the company. The funds were utilized during the year on the activities which are specified in Scheduled VII of the Companies Act, 2013 through the implementing agency as prescribed under Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Gross amount required to be spent by the Group during the year	6.47	4.13	3.36
(b) Amount approved by the Board to spent during the year	6.53	4.13	3.42

	In Cash	Yet to be paid in cash	Total
(c) Amount spent during the year ended March 31, 2024			
(i) Promoting Education	6.53	-	6.53
Amount paid to realated party	-	-	-
(d) Amount spent during the year ended March 31, 2023			
(i) Promoting Health care and Education	4.13	-	4.13
Amount paid to realated party	3.60	-	3.60
(e) Amount spent during the year ended March 31, 2022			
(i) Promoting Health care and Education	3.42	-	3.42
Amount paid to realated party	2.90	-	2.90

23 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Expense	183.41	152.64	148.87
Bank Charges	46.22	37.64	39.08
Interest on lease liability	0.95	1.51	1.66
Total Finance costs	**230.58**	**191.79**	**189.61**

24 Components of other comprehensive income (OCI)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Re-measurement gains/ (loss) on defined benefit plans	(8.25)	(3.18)	(2.64)
Income Tax effect on the above	(2.78)	(0.93)	(0.89)
Total other comprehensive income	**(11.03)**	**(4.11)**	**(3.53)**

(All amounts in INR Millions, except per share data and if otherwise stated)

25 **Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The Board of Directors at its meeting held on October 9,2023 had approved the bonus issue of three new equity share for every two share held on record date which was approved by the shareholders by means of a special resolution dated September 30, 2023 Through a Board resolution dated October 9,2023, the Company has allotted 3,00,00,000 equity shares of Rs.10 each as bonus shares to the existing equity shareholders of the Company.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity holders of the parent company (A)	458.59	340.92	200.60
Weighted average number of Equity shares for basic and diluted EPS(B)	5,00,00,000	5,00,00,000	5,00,00,000
Earnings per share (A/B)			
- Basic earnings per share (in INR)	9.17	6.82	4.01
- Diluted earnings per share (in INR)	9.17	6.82	4.01
- Face Value per share (in INR)	10.00	10.00	10.00

26 **Restatement adjustments, Material regroupings and Non-adjusting items**

26 (A) **Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per group's consolidated financial statement for year ended March 31,2024 and Audited Special Purpose Consolidated Financial Statements for the year ended 31 March 2023 and 31 March 2022	456.34	329.70	168.16
Adjustments to net profit as per audited financial statements			
Increase / Decrease in Expenses/Income (refer note (26)(B) below)	-	(0.78)	(5.03)
Total adjustments	-	(0.78)	(5.03)
Restated profit after tax for the period/ years	456.34	328.92	163.13

26 (B) The group has accounted for the Gratuity expenses of its Indian subsidiary in the restated financial information and the same has been given effect in the year to which the same relates to.

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings asper audited financail of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

(All amounts in INR Millions, except per share data and if otherwise stated)

26 (C) Reconciliation of restated Equity / Networth:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Equity/ Net worth as per group's consolidated financial statement for year ended March 31,2024 and Audited Special Purpose Consolidated Financial Statements for the year ended 31 March 2023 and 31 March 2022	2,330.32	1,811.33	1,455.98
Adjustment for:			
Difference Pertaining to changes in Profit / Loss due to Restated Effect for the period covered in Restated Financial - Gratuity Liability	-	(5.81)	(5.03)
Difference Pertaining to changes in OCI due to Restated Effect for the period covered in Restated Financial - Gratuity Liability	-	(0.40)	-
Equity / Networth as Restated	**2,330.32**	**1,805.12**	**1,450.95**

(All amounts in INR Millions, except per share data and if otherwise stated)

Note 27:

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting standard are given below:

(a) Defined Contribution Plans

Contribution to Defined Contribution plan, recognized as expense for the year is as under:

During the year, the company has recognized the following amounts in the Profit & Loss Account:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's Contribution to Provident fund	34.71	25.53	22.00

(b) Defined Benefit Plans

(i) Reconciliation of opening and closing balance of Defined Benefit Obligations:

Particulars	For the year ended 31 March 2024 Gratuity	For the year ended 31 March 2023 Gratuity	For the year ended 31 March 2022 Gratuity
Opening Defined Benefit Obligation	59.84	54.14	45.04
Interest Cost	4.02	3.87	3.09
Current Service Cost	4.66	5.23	9.76
Past service cost	-	-	-
Benefit Paid/derecognised	(12.70)	(6.98)	(6.52)
Actuarial Gain / Loss	11.18	3.58	2.77
Closing Defined Benefit Obligation	**67.00**	**59.84**	**54.14**

(ii) Reconciliation of opening and closing balances of Fair Value of Planned Assets

Particulars	For the year ended 31 March 2024 Gratuity	For the year ended 31 March 2023 Gratuity	For the year ended 31 March 2022 Gratuity
Opening value of plan assets	53.41	49.83	44.97
Expected return	4.01	3.56	3.09
Accurial gain (Loss)	0.15	(0.53)	(0.75)
Contributions by employer	9.23	7.53	9.05
Benefits paid	-	(6.98)	(6.52)
Closing value of planned assets	**66.80**	**53.41**	**49.84**

(iii) Reconciliation of Fair Value of Assets and Obligations:

Particulars	For the year ended 31 March 2024 Gratuity	For the year ended 31 March 2023 Gratuity	For the year ended 31 March 2022 Gratuity
Define Benefit Obligation	67.00	59.84	54.14
Fair value of Planned assets	66.80	53.41	49.84
Less : Unrecognized past service cost	-	-	-
Amount Recognized in Balance Sheet	**0.20**	**6.43**	**4.30**

(All amounts in INR Millions, except per share data and if otherwise stated)

(iv) Expense Recognized during the year:

Particulars	**For the year ended 31 March 2024** **Gratuity**	**For the year ended 31 March 2023** **Gratuity**	**For the year ended 31 March 2022** **Gratuity**
Current Service Cost	4.66	4.81	4.73
Interest Cost	0.02	(0.05)	-
Expected return on planned assets	-	-	-
Past year cost-vested	-	-	-
Net Actuarial (Gain) / Loss Recognized in the year	11.02	3.71	3.52
Closing Defined Benefit Obligation	**15.70**	**8.47**	**8.25**

(v) Actuarial Assumptions:

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Discount Rate	7.23%	7.50%	7.15%
Salary Escalation	4.00%	4.00%	4.00%
Rate of Return on Plan Asset	7.23%	7.50%	7.15%
Employee Turnover	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 23.00% p.a. For service 5 years and above 3.00% p.a.	For service 2 years and below 32.00% p.a. For service 3 years to 4 years 23.00% p.a. For service 5 years and above 3.00% p.a.	For service 4 years and below 22.00% p.a. For service 5 years to 8 years 12.00% p.a. For service 9 years and above 3.00% p.a.
Mortality Rate During Employmnet	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)	Indian Assured Life Mortality 2012-14 (Urban)

(vi) Sensitivity Analysis

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Defined Benefit Obligation on Current Assumptions	67.00	59.84	54.14
Delta Effect of +1% Change in Rate of Discounting	(5.79)	(4.66)	(4.24)
Delta Effect of -1% Change in Rate of Discounting	6.74	5.43	4.97
Delta Effect of +1% Change in Rate of Salary Increase	6.39	5.08	4.57
Delta Effect of -1% Change in Rate of Salary Increase	(5.55)	(4.43)	(4.01)
Delta Effect of +1% Change in Rate of Employee Turnover	2.04	1.92	1.58
Delta Effect of -1% Change in Rate of Employee Turnover	(2.29)	(2.15)	(1.79)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another, as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(All amounts in INR Millions, except per share data and if otherwise stated)

28 Related party transactions of M & B Engineering Limited

(A) Names of related parties and related party relationship

	Nature of relationship	Name of related parties
(i)	**Subsidiary Companies:**	Phenix Construction Technologies INC
		Phenix Building Solutions Private Limited (w.e.f. March 1, 2024)
		Modtech Machines Private Limited (upto May 23, 2023)
(ii)	**Key Management Personnel:**	Malav Girishbhai Patel
		Girishbhai Manibhai Patel
		Vipinbhai Kantilal Patel
		Chirag Hasmukhbhai Patel
		Umaben Girishbhai Patel
(iii)	**Relative of Key Management Personnel**	Birva Chirag Patel
		Aditya Vipinbhai Patel
		Hasmukhbhai Shivabhai Patel
		Diya Chirag Patel
(iv)	**Significant Influence:**	M B Enterprise
		Manibhai & Brother sleeper
		Manibhai & Brothers Finance Corporation
		Manibhai & Brothers
		Manibhai & Brothers (PCC Sarkhej)
		Usha Prestressed Sleeper Udhyog Piplod
		Giriraj Prestressed Private Limited
		Phenix Building Solutions Private Limited (upto February 29,2024)
		Shrinathji Prestressed Private Limited
		Manibhai & Brothers Charitable Trust

(B) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
1) Subsidiary Company			
(a) Phenix Construction Technologies INC			
Sale of goods	87.45	227.28	105.99
Interest Received	4.58	3.38	
Loan Given	36.10	5.59	25.52
(b) Phenix Building Solutions Private Limited			
Sale of goods	234.75	-	-
Sale of service	15.15	-	-
(c) Modtech Machines Private Limited			
Sale of goods	1.00	1.40	1.42
Loan Given	2.00	52.58	33.45
Loan refunded back	78.55	9.48	-

(All amounts in INR Millions, except per share data and if otherwise stated)

Name of related party	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
2) Significant Influence			
a) M B Enterprise			
Purchase of goods	135.95	962.85	115.52
Expenses Recovered	0.14	0.11	0.22
Expenses Paid	4.79	13.10	-
b) Manibhai & Brother sleeper			
Expenses Paid	-	-	0.01
Expenses Recovered	0.14	0.12	0.08
Sale of goods	1.73	1.65	0.27
Purchase of goods	-	0.09	0.09
c) Manibhai & Brothers Finance Corporation			
Interest on Loan Paid	77.69	63.20	53.35
Rent Paid	1.44	1.44	1.44
Unsecured Loan Taken	1,228.50	981.90	1,006.50
Unsecured Loan Repaid	2,008.98	824.40	1,107.53
d) Manibhai & Brothers			
Expenses Paid	15.28	-	-
Expenses Recovered	0.72	0.72	0.66
Sale of goods	0.27	0.95	1.51
Rent Paid	2.40	2.40	2.40
Purchase of goods	-	15.49	17.70
e)Manibhai & Brothers (PCC Sarkhej)			
Sale of goods	19.36	-	-
Rent Paid	1.26	1.20	-
Expenses Recovered	-	-	0.01
f)Usha Prestressed Sleeper Udhyog Piplod			
Expenses Recovered	0.04	0.07	0.02
Sale of goods	0.41	0.24	-
g) Giriraj Prestressed Private Limited			
Expenses Recovered	0.03	0.03	-
Sale of goods	3.56	-	-
h) Phenix Building Solutions Private Limited			
Sale of goods	1,621.09	2,873.11	2,445.74
Expenses Recovered	-	0.04	1.65
i) Shrinathji Prestressed Private Limited			
Expenses Recovered	0.01	-	-
Sale of goods	0.10	-	-
j) Manibhai & Brothers Charitable Trust			
Rent Paid	0.66	-	-
Donation Exps	-	3.60	2.90

(All amounts in INR Millions, except per share data and if otherwise stated)

3) With Key management personnel and their relatives:

Name	Nature of transaction	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Unsecured Loan Taken				
Malav Girishbhai Patel	Loan taken	10.17	9.41	9.03
Girishbhai Manibhai Patel	Loan taken	0.03	3.43	3.66
Chirag Hasmukhbhai Patel	Loan taken	-	0.35	0.05
Hasmukhbhai Shivabhai Patel	Loan taken	-	-	31.57
Unsecured Loan Repaid				
Malav Girishbhai Patel	Unsecured Loan Repaid	112.75	0.94	0.90
Girishbhai Manibhai Patel	Unsecured Loan Repaid	45.54	0.38	0.46
Chirag Hasmukhbhai Patel	Unsecured Loan Repaid	-	0.35	1.01
Hasmukhbhai Shivabhai Patel	Unsecured Loan Repaid	34.70	0.32	0.30
Purchase of Shares of Phenix Building Solutions Private Limited				
Malav Girishbhai Patel (No. of Shares : 7000)	Purchase of Shares	18.58	-	-
Girishbhai Manibhai Patel (No. of Shares : 13500)	Purchase of Shares	35.83	-	-
Vipinbhai Kantilal Patel (No. of Shares : 2500)	Purchase of Shares	6.64	-	-
Chirag Hasmukhbhai Patel (No. of Shares : 17500)	Purchase of Shares	46.45	-	-
Umaben Girishbhai Patel (No. of Shares : 2000)	Purchase of Shares	5.31	-	-
Birva Chirag Patel (No. of Shares : 5000)	Purchase of Shares	13.27	-	-
Aditya Vipinbhai Patel (No. of Shares : 1500)	Purchase of Shares	3.98	-	-
Leenaben Vipinbhai Patel (No. of Shares : 1000)	Purchase of Shares	2.65	-	-
Sale of Shares of Phenix Building Services Private Limited				
Malav Girishbhai Patel (No. of Shares : 7000)	Sale of Shares	0.07	-	-
Girishbhai Manibhai Patel (No. of Shares : 13500)	Sale of Shares	0.14	-	-
Vipinbhai Kantilal Patel (No. of Shares : 2500)	Sale of Shares	0.03	-	-
Chirag Hasmukhbhai Patel (No. of Shares : 17500)	Sale of Shares	0.18	-	-
Umaben Girishbhai Patel (No. of Shares : 2000)	Sale of Shares	0.02	-	-
Birva Chirag Patel (No. of Shares : 5000)	Sale of Shares	0.05	-	-
Aditya Vipinbhai Patel (No. of Shares : 1500)	Sale of Shares	0.02	-	-
Leenaben Vipinbhai Patel (No. of Shares : 1000)	Sale of Shares	0.01	-	-
Interest on Loan Paid				
Malav Girishbhai Patel	Interest on Loan Paid	10.17	9.41	9.03
Girishbhai Manibhai Patel	Interest on Loan Paid	4.09	3.81	3.66
Chirag Hasmukhbhai Patel	Interest on Loan Paid	-	-	0.05
Hasmukhbhai Shivabhai Patel	Interest on Loan Paid	0.28	3.16	3.03
Salary paid				
Malav Girishbhai Patel	Remuneration	17.34	16.72	12.10
Girishbhai Manibhai Patel	Remuneration	16.95	11.43	11.43
Vipinbhai Kantilal Patel	Remuneration	1.07	2.13	2.13
Chirag Hasmukhbhai Patel	Remuneration	26.27	23.98	20.98
Umaben Girishbhai Patel	Remuneration	1.50	3.00	3.00
Birva Chirag Patel	Remuneration	9.53	7.62	7.62
Aditya Vipinbhai Patel	Remuneration	6.96	5.51	4.24
Diya Chirag Patel	Remuneration	0.22	-	-

(All amounts in INR Millions, except per share data and if otherwise stated)

(C) Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) M B Enterprise			
Outstanding Payables	5.62	40.82	137.29
(b) Manibhai Brothers Sleepers			
Outstanding Receivables	1.82	0.08	0.24
(c) Manibhai & Brothers Finance Corporation			
Outstanding Payables	1.30	1.30	1.30
Unsecured Loan Outstanding	-	702.79	488.41
(d) Manibhai Brothers			
Outstanding Payables	1.78	15.09	1.23
(e) Manibhai & Brothers (PCC Sarkhej)			
Outstanding Receivables	23.26	-	-
Outstanding Payables	-	0.16	-
(f) Usha Prestressed Sleeper Udhyog Piplod			
Outstanding Receivables	0.08	0.23	0.02
(g) Giriraj Prestressed Private Limited			
Outstanding Receivables	0.03	0.03	-
(h) Phenix Building Solutions Private Limited			
Outstanding Receivables	363.02	548.82	318.43
(i) Shri Nathji Prestressed pvt. ltd.			
Outstanding Receivables	0.01	-	-
(j) Manibhai & Brothers Charitable Trust			
Outstanding Payables	0.31	-	-
(k) PBSPL SHEL JV			
Outstanding Receivables	9.92	9.92	9.92
(l) Phenix Construction Technologies INC			
Outstanding Receivables	66.29	74.86	81.28
Unsecured Loan Outstanding	93.51	52.82	47.24
(m) Modtech Machines Private Limited			
Outstanding Receivables	-	-	1.68
Unsecured Loan Outstanding	-	76.55	33.45
With Key management personnel and their relatives:			
Unsecured Loan Outstanding			
Malav Girishbhai Patel	-	102.58	94.11
Girishbhai Manibhai Patel	-	41.45	38.14
Hasmukhbhai Shivabhai Patel	-	34.42	31.57

Notes:

1 Terms and Conditions of Unsecured Loans taken from Group Company

Manibhai & Brothers Finance Corporation:

Facility Amount	Total principal amount not exceeding INR 100,00,00,000/-
Tenure of Credit Facility	15 Years (Can be extended mutually)
Interest rate	Interest will be charged at rates mutually agreed every year - payable yearly (ROI may be changed mutually).
Repayment Commencement Date	Repayment can be done at any time
Repayment Schedule	As agreed mutually
Interest payable	Accrue on yearly basis on outstanding Credit Facility amount.

2 Terms and Conditions of Unsecured Loans given to wholly owned Subsidiary Company

Phenix Construction Technologies INC.

Facility Amount	Total principal amount not exceeding USD 1,500,000
Tenure of Credit Facility	60 (Sixty) Months (Can be extended mutually)
Interest rate	Initially facility will be interest free till Borrower starts trading activity. Interest shall be applicable when the Borrower commences its trading activity. Interest will be charged at SOFR PLUS 1.5% SPREAD Compounding Interest - quarterly, payable along with principle (ROI may be changed mutually).
Repayment Commencement Date	Repayment can be done at any time
Repayment Schedule	As agreed mutually
Interest payable	Accrue on quarterly basis on outstanding Credit Facility amount.

3 Term Loan of INR 200.00 Millions from Kotak Mahindra Bank is personally guaranteed by following Directors :

1. Malav Girishbhai Patel
2. Girishbhai Manibhai Patel
3. Vipinbhai Kantilal Patel
4. Chirag Hasmukhbhai Patel

4 Transactions and balances relating to subsidiaries have been eliminated in the Restated Consolidated Financial Statements

(All amounts in INR Millions, except per share data and if otherwise stated)

28.1 Related party transactions of Subsidiaries

(A) Modtech Machines Private Limited

	Nature of relationship	Name of related parties
(i)	**Holding Company:**	M & B Engineering Limited (upto May 23, 2023)
(ii)	**Subsidiary Companies:**	Modtech USA INC Modtech World UK Limited
(iii)	**Key Management Personnel:**	Shri Kishansinh H. Gohil Aastha K. Gohil

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			
(ii) With Key Management Personnel			
a) Shri Kishansinh H. Gohil			
Remuneration Paid	-	0.54	0.54
Rent Paid	-	1.10	-
Interest Paid	-	0.05	0.27

Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			
(ii) With Key Management Personnel			
a) Shri Kishansinh H. Gohil			
Outstanding Payable	-	2.91	1.17
Unsecured Loan Payable	-	-	4.67

(All amounts in INR Millions, except per share data and if otherwise stated)

(B) Phenix Construction Technologies INC

Nature of relationship	Name of related parties
(i) Holding Company:	M & B Engineering Limited

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			

Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			

(C) Phenix Building Solutions Private Limited

(i) Holding Company:	M & B Engineering Limited (w.e.f. March 1, 2024)
(ii) Key Management Personnel:	Malav Girishbhai Patel
	Girishbhai Manibhai Patel
	Vipinbhai Kantilal Patel
	Chirag Hasmukhbhai Patel
	Umaben Girishbhai Patel
(iii) Significant Influence:	M&B Emngineering Ltd (upto February 29,2024)
	M B Enterprise
	Highten Steels
	Manibhai & Brothers
	Manibhai & Brothers Sleepers
	Manibhai & Brothers (PCC Sarkhej)
	Manibhai & Brothers Finance Corporation
	Usha Prestressed Sleeper Udhyog Piplod
	Giriraj Prestressed Private Limited
	Shrinathji Prestressed Private Limited
	PBSPL Shel JV

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			
(ii) With Key Management Personnel			
a) Chirag Hasmukhbhai Patel			
Unsecured loan taken	6.50	-	-
Interest Paid	0.05	-	-
Unsecured loan repaid	2.01	-	-
(iii) With Significant Influence			
a) Manibhai & Brothers			
Rent Paid	0.90	-	-

(All amounts in INR Millions, except per share data and if otherwise stated)

Following are the balances outstanding as at year end:

Name of related party	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(i) With M & B Engineering Limited			
As per Note 28			
(ii) With Key Management Personnel			
a) Chirag Hasmukhbhai Patel			
Unsecured loan payable	4.54	-	-
(iii) With Significant Influence			
a) Manibhai & Brothers			
Outstanding Receivables	0.45	-	-
b) PBSPL Shel JV			
Outstanding Payable	3.09	-	-

Notes:

1 Related Party Transactions of subsidiaries are only disclosed for the period during which Holding-Subsidiary relationship existed.

Note 29: First-time adoption of Ind AS

The consolidated financial statement for the period ended 31 March 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022. Upto the Financial year ended March 31, 2023, the Company prepared its consolidated financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS consolidated financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Special purpose Ind AS consolidated Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2021) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2024

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

1. **Deemed cost**: **Property, plant and equipment, capital work in progress and intangible assets**
   A first-time adopter may elect to measure an item of property, plant and equipment, right to use assets (leasehold land) at the date of transition at its fair value and use that fair value as its deemed cost at that date. In addition to this, Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for intangible assets as recognized in the Restated Consolidated Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Group has elected to continue with the carrying value for the property, plant and equipment, capital work in progress and intangible assets and use it as deemed cost (net of depreciation/amortization) as at the date of transition (i.e. April 01, 2021).

2. **Leases**
   As per Indian Accounting Standard (Ind AS) 101 First-time Adoption of Ind AS, provides exceptions to the retrospective application of Ind AS 116 lease. Accordingly, a first-time adopter may assess the classification of each element as finance or an operating lease at the date of transition to Ind AS on the basis of the facts and circumstances existing as at that date. If there is any lease newly classified as finance lease then the first-time adopter may recognize assets and liability at fair value on that date; and any difference between those fair values is recognized in retained earnings. Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption where a first-time adopter may assess whether a contract existing at the date of transition to Ind AS's contains leases by applying paragraph 9-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that date. The Group as first-time adopter as a lessee recognized lease liabilities and right to use assets, and had adopted following approach to all of its leases by adopting modified retrospective method: (a) measured a lease liability at the date of transition to Ind AS. The Group has measured that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. (b) measured a right-of-asset at the date of transition to Ind AS. The right-of-use assets were recognized based on the amount equal to the lease liabilities, and accrued lease payments previously recognized and reclassification of Leasehold land recognized previously under finance leases from property, plant and equipment.

Practical expedients applied:

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

(b) elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the lease term ends within 12 months of the date of transition to Ind AS. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.

(c) elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the underlying asset is of low value. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.

(d) excluded initial direct costs from the measurement of the right to use assets at the date of transition to Ind AS.

3. Investments in certain equity shares

On the date of transition to Ind AS, a first-time adopter can designate investments in certain equity shares of certain entities i.e. other than subsidiaries, associates and joint arrangements, as instruments fair valued through the other comprehensive income (FVOCI) or Fair value through Profit and loss (FVTPL).
Accordingly, the Group has opted to designate such equity investments as FVTPL.

Ind AS mandatory exceptions

1. Estimate

The estimates at April 01, 2021, March 31 2022 and at March 31, 2023 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried at amortized cost.
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2021, the date of transition to Ind AS and as of March 31, 2022 and March 31, 2023.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Group has applied the above requirement on transition date.

(All amounts in INR Millions, except per share data and if otherwise stated)

29.1 Statement of Assets and Liabilities

PARTICULARS	Footnote No.	As on 31st March 2023			As on 31st March 2022			As on 1st April 2021		
		IGAAP*	Ajdustment	IND AS	IGAAP*	Ajdustment	IND AS	IGAAP*	Ajdustment	IND AS
ASSETS										
Non-current assets										
Property, plant and equipment		743.29	-	743.29	649.28	-	649.28	637.78	-	637.78
Capital work-in-progress		18.57	-	18.57	18.07	-	18.07	39.50	-	39.50
Intangible assets		33.17	-	33.17	43.91	-	43.91	58.81	-	58.81
Right to use assets	A	-	11.98	11.98	-	15.34	15.34	-	20.89	20.89
Financial assets										
(i) Investments	C	35.79	15.38	51.17	35.80	20.89	56.69	20.04	10.12	30.16
(ii) Loans		3.00	-	3.00	3.00	-	3.00	3.00	-	3.00
(iii) Other financial assets	C	49.59	(5.11)	44.48	76.09	(7.50)	68.59	71.28	(7.50)	63.78
Total non-current assets		**883.41**	**22.25**	**905.66**	**826.15**	**28.73**	**854.88**	**830.41**	**23.51**	**853.92**
Current assets										
Inventories		1,746.33	-	1,746.33	2,035.80	-	2,035.80	1,276.64	-	1,276.64
Financial assets										
i) Trade receivables		1,192.15	-	1,192.15	1,200.32	-	1,200.32	919.52	-	919.52
ii) Cash and bank balances		981.99	-	981.99	514.35	-	514.35	505.76	-	505.76
iii) Bank balances other than (ii) above		274.09	-	274.09	410.20	-	410.20	339.25	-	339.25
iv) Loans		2.78	-	2.78	3.20	-	3.20	25.28	-	25.28
v) Other financial assets		3.15	-	3.15	1.84	-	1.84	1.76	-	1.76
Other current assets		481.72	-	481.72	450.52	-	450.52	332.89	-	332.89
Total current assets		**4,682.21**	**-**	**4,682.21**	**4,616.23**	**-**	**4,616.23**	**3,401.10**	**-**	**3,401.10**
Total assets		**5,565.62**	**22.25**	**5,587.87**	**5,442.38**	**28.73**	**5,471.11**	**4,231.51**	**23.51**	**4,255.02**
EQUITY AND LIABILITIES										
Equity										
Equity share capital		200.00	-	200.00	200.00	-	200.00	200.00	-	200.00
Other equity		1,604.28	7.05	1,611.33	1,245.50	10.48	1,255.98	1,054.68	2.18	1,056.86
Total equity		**1,804.28**	**7.05**	**1,811.33**	**1,445.50**	**10.48**	**1,455.98**	**1,254.68**	**2.18**	**1,256.86**
Non controling interest		(9.64)	-	(9.64)	2.65	-	2.65	40.21	-	40.21
Non-current liabilities										
Financial liabilities										
i) Borrowings		892.70	-	892.70	663.52	-	663.52	712.42	-	712.42
ii) Lease liabilities	A	-	5.51	5.51	-	10.04	10.04	-	14.42	14.42
Deferred tax liabilities (net)	B	48.22	1.60	49.82	53.10	2.17	55.27	70.37	1.05	71.42
Total non-current liabilities		**940.92**	**7.11**	**948.03**	**716.62**	**12.21**	**728.83**	**782.79**	**15.47**	**798.26**
Current liabilities										
Financial liabilities										
i) Borrowings		594.78	-	594.78	332.31	-	332.31	422.79	-	422.79
ii) Lease liabilities	A	-	8.09	8.09	-	6.04	6.04	-	5.86	5.86
iii) Trade payables							-			
- (a) Total outstanding dues of micro enterprises and small enterprises		130.92	-	130.92	52.91	-	52.91	40.01	-	40.01
- (b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,210.24	-	1,210.24	1,964.39	-	1,964.39	1,073.29	-	1,073.29
iv) Other financial liabilities		104.76	-	104.76	81.49	-	81.49	77.05	-	77.05
Short term provisions		127.99	-	127.99	118.19	-	118.19	106.02	-	106.02
Other current liabilities		661.37	-	661.37	728.32	-	728.32	434.67	-	434.67
Total current liabilities		**2,830.06**	**8.09**	**2,838.15**	**3,277.61**	**6.04**	**3,283.65**	**2,153.83**	**5.86**	**2,159.69**
Total equity and liabilities		**5,565.62**	**22.25**	**5,587.87**	**5,442.38**	**28.73**	**5,471.11**	**4,231.51**	**23.51**	**4,255.02**

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

(All amounts in INR Millions, except per share data and if otherwise stated)

29.2 Statement of Profit and Loss (including other comprehensive income)

PARTICULARS	Footnote No.	For the year ended 31st March 2023			For the year ended 31st March 2022		
		IGAAP*	Ajdustment	IND AS	IGAAP*	Ajdustment	IND AS
Income							
Revenue From Operations		8,804.70	-	8,804.70	6,882.25	-	6,882.25
Other income	C	82.95	2.39	85.34	61.45	45.53	106.98
Total income (I)		**8,887.65**	**2.39**	**8,890.04**	**6,943.70**	**45.53**	**6,989.23**
Expenses							
Cost of materials consumed and operational expenses		6,563.38	-	6,563.38	5,167.30	-	5,167.30
(Increase)/Decrease in inventories of finished goods, stock in trade and work-in-progress		116.39	-	116.39	(214.80)	-	(214.80)
Employee benefits expenses	D	756.45	(3.71)	752.74	704.12	(3.53)	700.59
Finance costs	A	190.27	1.52	191.79	187.95	1.66	189.61
Depreciation and amortization expenses	A	96.35	6.66	103.01	100.30	5.55	105.85
Other expenses	A&C	695.57	11.54	707.11	776.90	28.89	805.79
Total expenses (II)		**8,418.41**	**16.01**	**8,434.42**	**6,721.77**	32.57	**6,754.34**
Restated Profit before tax (I-II)		**469.24**	**(13.62)**	**455.62**	**221.93**	**12.96**	**234.89**
Tax expenses							
Current tax		131.37	-	131.37	82.88	-	82.88
Deferred tax charge/(credit)	B	(4.87)	(0.58)	(5.45)	(17.27)	1.12	(16.15)
Total tax expense (IV)		**126.50**	**(0.58)**	**125.92**	**65.61**	**1.12**	**66.73**
Restated Profit for the year (III-IV)		**342.74**	**(13.04)**	**329.70**	**156.32**	**11.84**	**168.16**
Restated other comprehensive income/(loss)							
Items that will not be reclassified to profit or loss							
Re-measurement gain/ (loss) on defined benefit plans	D	-	(3.71)	(3.71)	-	(3.53)	(3.53)
							-
Restated Other comprehensive income/(loss) for the year, net of tax (VI)		-	(3.71)	(3.71)	-	(3.53)	(3.53)
				-			-
Restated total comprehensive income for the year, net of tax (V-VI)		**342.74**	**(16.75)**	**325.99**	**156.32**	**8.31**	**164.63**
				-			-
Less/(Add) Non Controlling Interest		(12.00)	-	(12.00)	(37.47)	-	(37.47)
				-			-
Total Comprehensive Income for the year (After Non Controling Interest)		**354.74**	**(16.75)**	**337.99**	**193.79**	**8.31**	**202.10**

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Footnotes to the Statement of Assets and Liabilities as at April 01, 2021; March 31, 2022 and March 31, 2023 and Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2022 and March 31, 2023.

A. Leases

Lease recognized as operating leases in previous GAAP The Group has adopted modified retrospective method of Ind AS 116 and recognized the lease liabilities and right-to-use assets at the date of transition to Ind AS i.e. April 01, 2021 on the leases existing at that date. Lease liability recognized at fair value by measuring at present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. Right to use asset recognized an amount equal to the lease liability and security deposit of the respective lease. Hence at the date of transition to Ind AS i.e. April 01, 2021, lease liability of Rs. 20.28 Millions and right to use asset of Rs. 20.89 Millions were recognized. This led to increase in depreciation and interest expense by Rs. 5.55 Millions and 1.66 Millions respectively and decrease in (reversal of) rent of Rs. 5.86 Millions in the year ended March 31, 2022 and increase in depreciation and interest expense by Rs. 6.66 Millions and 1.52 Millions respectively and decrease in (reversal of) rent of Rs. 7.27 Millions in the year ended March 31, 2023

B. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Accordingly, deferred tax liability is increased by 1.60 Millions as at March 31, 2023, by 2.17 Millions as at March 31, 2022 and by 1.05 Millions as at April 01, 2021.The deferred tax charge (credit) is decreased by Rs. 1.12 Millions in year ended March 31, 2022 and increased by Rs.0.58 Millions in year ended March 31, 2023.

C. Fair valuation in certain financial assets

Under the Previous GAAP, investments in equity shares of entities not consolidated and mutual funds were classified as long-term investments measured at cost less provision for other than temporary diminution in the value. Under Ind AS, these investments have been fair valued through the statement of profit or loss. This has increased the investment carrying value by by INR 10.12 Millions, INR 20.89 Millions and INR 15.38 Millions on April 1, 2021, March 31, 2022 and March 31, 2023 respectively as compared to IGAAP. Security Deposit and Earnest Money Deposit have also been measured at Fair Value at the time of Ind AS adoption.

D. Actuarial gains and losses accounted through OCI

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under IGAAP, these remeasurements were forming part of the profit or loss for the year. Accordingly, INR 3.71 Millions (net of taxes 2.78 Millions) and INR 3.53 Millions (net of taxes 2.64 Millions) has been reclassified from the statement of profit and loss to statement of comprehensive income in 2022-23 and 21-22 respectively. However, this adjustment has no impact on the total equity on the transition date as well as March 31, 2023 and March 31 2022.

E. Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

F. Retained earnings

Retained earnings as at April 1, 2021 has been adjusted consequent to the Ind AS transition adjustments.

(All amounts in INR Millions, except per share data and if otherwise stated)

30 Material Consumed

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
HR Coils	6.19	21.69	28.31
HR Plates	1,880.73	1,877.50	1,544.81
Sheeting	1,825.51	2,761.32	2,205.53
Other Steel	751.80	446.24	303.53
Other material	681.32	829.17	610.86
Total material consumed	**5,145.55**	**5,935.92**	**4,693.04**

31 Contingent Liability and Capital Commitments

Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Contingent Liability			
Outstanding Bank Guarantees*	1,123.82	820.17	452.65
Total contingent liability	**1,123.82**	**820.17**	**452.65**
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	61.20	46.48	7.73
Total capital commitments	**61.20**	**46.48**	**7.73**

*Bank Guarantees consists on Advance Bank Guarantees (ABG) and Perfomance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when prorata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against satisfactory performance and normally has a validity for a year.

32 Value Of Imports On C.I.F. Basis During The Year

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
(i) Raw Materials	1,717.18	1,078.86	619.79
(ii) Components – spare parts	2.70	6.56	48.50
(iii) Capital Goods	36.61	18.31	4.01
Total value of imports on C.I.F basis during the year	**1,756.49**	**1,103.73**	**672.30**

33 Earning In Foreign Currency On Account Of

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Earning in foreign exchange			
–Export Sales	158.62	421.56	820.14
Total earning in foreign currency	**158.62**	**421.56**	**820.14**

34 Expenditure In Foreign Currency On Account Of

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Expenditure in foreign currency :			
– Foreign Travelling	5.32	4.76	5.94
– Interest	46.70	21.40	8.18
– Others	4.73	10.27	2.60
Total expenditure in foreign currency	**56.75**	**36.43**	**16.72**

M & B Engineering Limited
Corporate Identification Number : U45200GJ1981PLC004437
(All amounts in INR Millions, except per share data and if otherwise stated)

Notes to Restated Consolidated Financial Statements

34 (A) Analytical Ratios :

Sr.No.	Particulars	Numerator	Denominator	2023-2024	2022-2023	Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilites	1.36	1.65	-17.25%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.88	0.83	6.04%	
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	4.03	3.94	2.18%	
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	19.58%	18.22%	1.36%	
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.16	7.36	-16.32%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	5.58	4.40	26.85%	Note 1
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities	6.24	4.79	30.34%	Note 2
8	Net profit ratio (in %)	Profit for the year	Total Revenue	5.65%	3.70%	1.95%	
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	29.82%	23.57%	6.25%	
10	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	3.81%	1.11%	2.70%	

Remarks :

1 The increase In ratio is due to decrease in average trade payables

2 The increase In ratio is due to decrease in Net working capital

Sr.No.	Particulars	Numerator	Denominator	2022-2023	2021-2022	Variance	Remarks
1	Current ratio (in times)	Total current assets	Total current liabilites	1.65	1.40	17.27%	
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.83	0.70	19.24%	
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	3.94	1.55	154.39%	Note 3
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Total Equity	18.22%	11.24%	6.98%	
5	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	7.36	6.49	13.36%	
6	Trade payables turnover ratio (in times)	Cost of operation (Reduced by Employee Benefits, Finance Cost & Depreciation) + Other expenses	Average trade payables	4.40	3.68	19.58%	
7	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (i.e. Total current assets less Total current liabilities	4.79	5.18	-7.59%	
8	Net profit ratio (in %)	Profit for the year	Total Revenue	3.70%	2.33%	1.37%	
9	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Assets (-) Current Liabilities	23.57%	19.22%	4.35%	
10	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	1.11%	7.51%	-6.39%	

Remarks :

3 The increase in ratio is due to decrease in interest and principal repayment

Note 35: Additional regulatory disclosures as per Schedule III of Companies Act. 2013

I. The Group does not have any investment property.

II. As per the Group 's accounting policy, Property, Plant and Equipment and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

III. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

IV. The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

V. Details of transactions with struck off companies: (in INR)

Sr. No.	Name of Struck off company	Nature of transactions with struck off companies	Relationship with the struck off company, if any.	Balance outstanding as on 31/03/2024	Balance outstanding as on 31/03/2023	Purchase/ (Sales)	(Payment) / Receipt
1	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	Rs. 2,528 credit	Rs. 2,528 credit	NIL	NIL
2	Cinven Engineering Pvt Ltd	Contractor	Only business relationship	Rs. 1,27,200 credit	Rs. 1,41,355 credit	NIL	Rs. 14,155

VI. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2024.

VII. The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

VIII. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.

IX. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

X. The Group has not operated in any crypto currency or virtual currency transactions.

XI. During the year the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961

(All amounts in INR Millions, except per share data and if otherwise stated)

36 Fair Value Measurements:

A Accounting Classification and Fair Values

As at March 31, 2024

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	68.99	-	68.99	68.99	-	-	**68.99**
Loans	-	7.56	-	-	7.56	-	7.56	-	**7.56**
Trade Receivables	-	1,389.60	-	-	1,389.60	-	1,389.60	-	**1,389.60**
Cash and Bank Balances	-	734.41	-	-	734.41	-	734.41	-	**734.41**
Other Bank Balances	-	257.91	-	-	257.91	-	257.91	-	**257.91**
Other Financial Assets	-	37.57	-	-	37.57	-	37.57	-	**37.57**
Total Financial Assets	**-**	**2,427.05**	**68.99**	**-**	**2,496.04**	**68.99**	**2,427.05**	**-**	**2,496.04**
					-				**-**
Borrowings (Incl. Current Maturities)	-	2,048.42	-	-	2,048.42	-	2,048.42	-	**2,048.42**
Lease Liabilities	-	6.44	-	-	6.44	-	6.44	-	**6.44**
Trade Payable	-	933.14	-	-	933.14	-	933.14	-	**933.14**
Other Financial Liabilities	-	124.49	-	-	124.49	-	124.49	-	**124.49**
Total Financial Liabilities	**-**	**3,112.49**	**-**	**-**	**3,112.49**	**-**	**3,112.49**	**-**	**3,112.49**

As at March 31, 2023

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	51.17	-	51.17	51.17	-	-	**51.17**
Loans	-	5.78	-	-	5.78	-	5.78	-	**5.78**
Trade Receivables	-	1,192.15	-	-	1,192.15	-	1,192.15	-	**1,192.15**
Cash and Bank Balances	-	981.99	-	-	981.99	-	981.99	-	**981.99**
Other Bank Balances	-	274.09	-	-	274.09	-	274.09	-	**274.09**
Other Financial Assets	-	47.63	-	-	47.63	-	47.63	-	**47.63**
Total Financial Assets	**-**	**2,501.64**	**51.17**	**-**	**2,552.81**	**51.17**	**2,501.64**	**-**	**2,552.81**
					-				**-**
Borrowings (Incl. Current Maturities)	-	1,487.48	-	-	1,487.48	-	1,487.48	-	**1,487.48**
Lease Liabilities	-	13.60	-	-	13.60	-	13.60	-	**13.60**
Trade Payable	-	1,341.16	-	-	1,341.16	-	1,341.16	-	**1,341.16**
Other Financial Liabilities	-	104.76	-	-	104.76	-	104.76	-	**104.76**
Total Financial Liabilities	**-**	**2,947.00**	**-**	**-**	**2,947.00**	**-**	**2,947.00**	**-**	**2,947.00**

As at March 31, 2022

Particulars	Carrying Value					Fair Value			
	At Cost	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Investments	-	-	56.69	-	56.69	56.69	-	-	**56.69**
Loans	-	6.20	-	-	6.20	-	6.20	-	**6.20**
Trade Receivables	-	1,200.32	-	-	1,200.32	-	1,200.32	-	**1,200.32**
Cash and Bank Balances	-	514.35	-	-	514.35	-	514.35	-	**514.35**
Other Bank Balances	-	410.20	-	-	410.20	-	410.20	-	**410.20**
Other Financial Assets	-	70.43	-	-	70.43	-	70.43	-	**70.43**
Total Financial Assets	**-**	**2,201.50**	**56.69**	**-**	**2,258.19**	**56.69**	**2,201.50**	**-**	**2,258.19**
					-				**-**
Borrowings (Incl. Current Maturities)	-	995.83	-	-	995.83	-	995.83	-	**995.83**
Lease Liabilities	-	16.08	-	-	16.08	-	16.08	-	**16.08**
Trade Payable	-	2,017.30	-	-	2,017.30	-	2,017.30	-	**2,017.30**
Other Financial Liabilities	-	81.49	-	-	81.49	-	81.49	-	**81.49**
Total Financial Liabilities	**-**	**3,110.70**	**-**	**-**	**3,110.70**	**-**	**3,110.70**	**-**	**3,110.70**

B Measurement of Fair Values

i Investments in Associate and Subsidiaries

Investments in Associate and Subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed under fair value classification.

ii Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

iii Levels 1, 2 and 3 : Valuation Techniques and Key Inputs

Level 1 : It includes Investment that has a quoted price and which are actively traded on the stock exchanges. It is being valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

iv There have been no transfers between Level 1, 2 and 3 during the years.

37 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade and other payables and financial assets comprise mainly of investments, Cash and Bank Balances, other balances with banks, loans, trade and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further they also have oversight in the area of financial risks and controls.
The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

A Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%
- 10% increase / decrease in prices of all investments traded in an active market, which are classified as financial asset measured at FVTPL.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

(All amounts in INR Millions, except per share data and if otherwise stated)

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024, March 31, 2023 and March 31, 2022.

i Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Summary of interest bearing financial assets and financial liabilities has been provided below:

Particulars	As at		
	31 March 2024	**31 March 2023**	**31 March 2022**
Financial Assets			
Loans	7.56	5.78	6.20
Security Deposits	35.20	44.48	68.59
Total	**42.76**	**50.26**	**74.79**
Financial Liabilities			
Borrowings (Including current maturities)	2,048.42	1,487.48	995.83
Lease Liability	6.44	13.60	16.08
Total	**2,054.86**	**1,501.08**	**1,011.91**

Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit after Tax

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Increase in 100 basis points	(15.06)	(10.86)	(7.02)
Decrease in 100 basis points	15.06	10.86	7.02

B Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables, loans and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Reconciliation of loss allowance provision – Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Loss allowance as at beginning of the year	-	-	-
Changes in Loss allowance	-	-	-
Loss allowances as at end of the year	-	-	-

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Credit risk arising from these financial assets is perceived to be very low.

Other financial assets
This comprises mainly of deposits, Loans to employees and other receivables. Credit risk arising from these financial assets is limited.

(All amounts in INR Millions, except per share data and if otherwise stated)

C Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2024				
Financial Liabilities				
Borrowings	2,048.42	1,609.59	438.83	2,048.42
Trade Payables	933.14	927.35	5.79	933.14
Other Financial Liabilities	124.49	124.49	-	124.49
Total	**3,106.05**	**2,661.43**	**444.62**	**3,106.05**
As at March 31, 2023				
Financial Liabilities				
Borrowings	1,487.48	594.78	892.70	1,487.48
Trade Payables	1,341.16	1,339.68	1.48	1,341.16
Other Financial Liabilities	104.76	104.76	-	104.76
Total	**2,933.40**	**2,039.22**	**894.18**	**2,933.40**
As at March 31, 2022				
Financial Liabilities				
Borrowings	995.83	332.31	663.52	995.83
Trade Payables	2,017.30	2,016.66	0.64	2,017.30
Other Financial Liabilities	81.49	81.49	-	81.49
Total	**3,094.62**	**2,430.46**	**664.16**	**3,094.62**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Entity’s liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2024				
Financial Assets				
Investments	68.99	-	68.99	68.99
Loans	7.56	4.56	3.00	7.56
Trade Receivables	1,389.60	1,129.32	260.28	1,389.60
Cash and Bank Balances	734.41	734.41	-	734.41
Other Bank Balances	257.91	257.91	-	257.91
Other Financial Assets	37.57	2.37	35.20	37.57
Total	**2,496.04**	**2,128.57**	**367.47**	**2,496.04**
As at March 31, 2023				
Financial Assets				
Investments	51.17	-	51.17	51.17
Loans	5.78	2.78	3.00	5.78
Trade Receivables	1,192.15	1,109.92	82.23	1,192.15
Cash and Bank Balances	981.99	981.99	-	981.99
Other Bank Balances	274.09	274.09	-	274.09
Other Financial Assets	47.63	3.15	44.48	47.63
Total	**2,552.81**	**2,371.93**	**180.88**	**2,552.81**
As at March 31, 2022				
Financial Assets				
Investments	56.69	-	56.69	56.69
Loans	6.20	3.20	3.00	6.20
Trade Receivables	1,200.32	1,133.72	66.60	1,200.32
Cash and Bank Balances	514.35	514.35	-	514.35
Other Bank Balances	410.20	410.20	-	410.20
Other Financial Assets	70.43	1.84	68.59	70.43
Total	**2,258.19**	**2,063.31**	**194.88**	**2,258.19**

(All amounts in INR Millions, except per share data and if otherwise stated)

38 Capital Management

The Company's objectives when managing capital are to:
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, less Cash and Bank Balances. Adjusted equity comprises all component of equity. The company's adjusted net to debt equity ratio is as follows:

Particulars	31 March 2024	31 March 2023	31 March 2022
Total Borrowings	2,048.42	1,487.48	995.83
Less: Cash and Bank Balances	734.41	981.99	514.35
Adjusted Net debt	1,314.01	505.49	481.48
Total Equity	2,330.32	1,805.12	1,450.95
Adjusted Net debt to equity ratio	56.39%	28.00%	33.18%

As per our report of even date

For Talati & Talati LLP
Chartered Accountants
(Firm Reg. No : 110758W/W100377)

Umesh Talati
(Partner)
Membership Number : 034834
Place : Ahmedabad
Date : September 23, 2024

For and on behalf of Board of Directors

Chirag Hasmukhbhai Patel
Chairman & Joint Managing Director
DIN: 00260602

Malav Girishbhai Patel
Joint Managing Director
DIN: 00260514

Pankaj Naresh
Chief Executive Officer

Mayur S. Patel
Chief Executive Officer

Keyur B. Shah
Chief Financial Officer
Place : Ahmedabad
Date : September 23, 2024

Palak D. Parekh
Company Secretary

OTHER FINANCIAL INFORMATION

Accounting Ratios

The details of accounting ratios derived from our Restated Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set out below:

(in ₹, except share data)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Earnings per Equity Share			
- Basic Earnings per share (in ₹)	9.17	6.82	4.01
- Diluted Earnings per share (in ₹)	9.17	6.82	4.01
RoNW (in %)	19.58%	18.22%	11.24%
NAV per Equity Share (in ₹)	46.61	36.10	29.02
EBITDA (in ₹ million)	796.22	664.30	418.34

Notes:

1. *Basic EPS (₹) = Basic earnings per share are calculated by dividing the restated profit for the year by the weighted average number of Equity Shares outstanding during the year.*
2. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the restated profit for the year by the weighted average number of Equity Shares outstanding during the year.*
3. *Return on net worth (RoNW) is calculated as restated profit for the year divided by total equity.*
4. *Net asset value per equity share is calculated as total equity (excluding non-controlling interest) divided by Number of equity shares outstanding at the end of the year*
5. *EBITDA is calculated as restated profit for the year minus other income plus finance costs, depreciation and amortisation expense and total tax expense.*

In accordance with the SEBI ICDR Regulations, the consolidated audited financial statements of our Company and its subsidiary as at and for the Fiscals 2024, 2023 and 2022 (collectively, the **"Consolidated Audited Financial Statements**") are available on our website at www.mbel.in

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus or (iii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLM, nor the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of Restated Profit for the year to EBITDA and EBITDA Margin

The table below reconciles restated profit for the year to EBITDA. EBITDA is calculated as profit for the year minus other income plus finance costs, depreciation and amortisation expense and total tax expense, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ million, unless otherwise stated)

Particulars	As at and for the year ended March 31,		
	2024	2023	2022
Profit for the year (I)	456.34	328.92	163.13
Other income (II)	132.00	85.34	106.98
Finance costs (III)	230.58	191.79	189.61
Depreciation and amortization expense (IV)	88.80	103.01	105.85
Total tax expense (V)	152.50	125.92	66.73
EBITDA (VI = I-II+III+IV+V)	**796.22**	**664.30**	**418.34**

Particulars	As at and for the year ended March 31,		
	2024	2023	2022
Revenue from operations (VII)	7,950.60	8,804.70	6,882.25
EBITDA Margin (%) (VIII) = (VI/VII)	**10.01%**	**7.54%**	**6.08%**

Reconciliation of total equity to net asset value per equity share

The table below reconciles total equity to net asset value per equity share. Net asset value per equity share is calculated as total equity (excluding non-controlling interest) divided by Number of equity shares outstanding at the end of the year.

Particulars	As at and for the year ended March 31,		
	2024	2023	2022
Total equity (excluding non-controlling interest) (I) (₹ million)	2,330.32	1,805.12	1,450.95
Number of equity shares outstanding at the end of the year (II)	5,00,00,000	5,00,00,000	5,00,00,000
Net Asset Value per equity share (III) = (I/II) (₹ per equity share)	**46.61**	**36.10**	**29.02**

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 ‘Related Party Disclosures’ for Fiscals 2024, 2023 and 2022, read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Statements, see “*Restated Consolidated Financial Statements - Note 28* on page 322.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Summary Statements on page 280.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, included herein is based on or derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" beginning on page 280. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Statements is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 65.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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. See "Forward-Looking Statements" on page 18.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to M&B Engineering Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries" dated September, 2024 (the "**CRISIL Report**", and the date of the CRISIL Report, the "**Report Date**") which is exclusively prepared for the purpose of the Offer and issued by CRISIL MI&A ("**CRISIL**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CRISIL was appointed pursuant to an engagement letter entered into with our Company dated April 3, 2024. CRISIL is not related in any other manner to our Company. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CRISIL Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CRISIL Report will be available on the website of our Company at www.mbel.in from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CRISIL Report. The views expressed in the CRISIL Report are that of CRISIL. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 15.*

OVERVIEW

For details in relation to our business overview, strengths, strategies and business operations, please see "*Our Business*" beginning on page 188.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The results of our operations and our financial conditions are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "*Our Business*" and "*Risk Factors",* beginning on pages 188 and 29. Set forth below is a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

Demand for PEBs and Self-Supported Steel Roofing Solutions

We are one of the India's leading Pre-Engineered Buildings ("**PEBs**") and Self-Supported Roofing provider in terms of installed capacity (103,800 MTPA related to PEB and 1,800,000 square metres per annum for Self-Supported Roofing) as on 31st August

2024. (*Source: CRISIL Report*). As of Fiscal 2024, we are the largest player in terms of revenue for the manufacturing and installation of self-supported steel roofing solutions in India with a market share of 75% (*Source: CRISIL Report*). We believe that we have been able to achieve such leadership position by leveraging on our comprehensive suite of services and integrated manufacturing facilities, ability to deliver solutions, strong focus on customer service and our well-established execution track record of over 8,700 projects. We believe that our leadership position offers us competitive advantages such as reduced costs due to economies of scale and better pricing power.

As per the CRISIL Report, Indian PEB industry expanded at a CAGR of ~8.0% over Fiscals 2019-2023, growing from ₹ 130 billion in Fiscal 2019 to ₹ 180 billion in Fiscal 2023. Last Fiscal, the industry grew ~8% on-year and was valued at ₹ 195 billion. The medium-term outlook is optimistic, with the industry growing at a strong 11.5-12.5% CAGR between Fiscals 2024 and 2028 to ₹295-310 billion, supported by investments in the industrial and infrastructure sectors, such as warehouses and logistics as well as expressways (wayside amenities and toll plazas) (*Source: CRISIL Report*).

While the PEB market is projected to see growth, it is also subject to a number of key challenges, including:

(i) Vulnerability to fluctuations in raw material prices;

(ii) Transportation challenges;

(iii) Necessity for additional safeguards to withstand natural disasters;

(iv) Medium capital outlay and fragmented industry;

(v) Design limitations; and

(vi) Limited knowledge and lack of skilled manpower. (*Source: CRISIL Report*)

As per the CRISIL Report, the self-supported roofing market in India logged a CAGR of 11% between Fiscals 2019 and 2023. This increase in demand can be attributed to growth in infrastructure and industrial segments, which are the major end use segment of self-supported roofing in India, witnessing construction spends of ₹ 27 trillion and ₹ 3.5 trillion in Fiscals 2019 and 2023, respectively (*Source: CRISIL Report*). Increased investments in railways in India also contributed to the growth as self-supported roofing is finding applications at railways stations and sheds, owing to their durability (*Source: CRISIL Report*). As per the CRISIL Report, the self-supported roofing market in India is estimated to moderately grow 5-6% between Fiscals 2024 and 2028, on the back of continued investments in infrastructure and industrial segments as well as increasing awareness of the benefits of self-supported roofing.

We intend to leverage our market leadership position, customer relationships, expertise, infrastructure and skilled manpower to capitalize on these market opportunities. However, if the PEB industry and the self-supported steel roofing solutions industry fails to sustain or increase its adoption, our business and results of operations may be adversely affected.

Relationships with customers and dependence on certain customer groups

Over the period of our operations, we have executed over 8,700 projects and have established long-term relationships with our diverse set of customers across industries we cater to. We believe that our ability to address the varying and stringent customer requirements over long periods enables us to obtain additional business from existing clients as well as new clients. Through both our Phenix Division and Proflex Division, we provide our products and services to a diverse range of customers operating across varied industries. Some of our customers include Adani Green Energy Limited, Adani Ports and Special Economic Zone Limited, Adani Logistics Limited, AIA Engineering Limited, Alembic Pharmaceuticals Limited, Tata Advanced Systems Limited, Balaji Wafers Private Limited, Elecon Engineering Co Limited, Gujarat Tea Processors and Packers Limited, Intas Pharmaceuticals Limited, Lubi Industries LLP, PSP Projects Limited, Everest Food Products Private Limited, Arvind Limited, Inductotherm (India) Private Limited, Haldiram Foods International Private Limited, SMC Power Generation Limited, Oriental Rubber Industries Limited, Shree Ram Industries, Satyam Plastfab Private Limited and Laxmi Hydraulics Private Limited.

We believe our customer relationships are primarily led by our ability to develop processes, meet stringent quality and technical specifications and complete the designing, manufacturing, erection and installation for our customers in a timely and cost-effective manner. As a result, we have a history of high customer retention and have been providing services for certain customers for a number of years. We believe that such long-term association with our customers offers us significant competitive advantages such as revenue visibility, industry goodwill, a deep understanding of the requirements of our customers and is a testament to the quality of our products and services. Our revenues from repeat orders from customers for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as set out below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenues from repeat customers* (in ₹ million)	5,824.51	5,776.98	3,947.81
Revenues from repeat customers as % of our consolidated revenues from operations	73.26%	65.61%	57.36%

* *Revenues from repeat customers is revenues from customers where our Company would have recognized revenues from such customer in more than one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.*

The table set forth below provides the revenue contribution and revenue contribution as a percentage of our revenue from operations of our largest customer group, our top 5 customer groups and our top 10 customer groups, for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)	Revenue contribution (In ₹ millions)	As a percentage of the revenue from operations (%)
Largest customer group	1,014.07	12.75%	1,614.65	18.34%	604.31	8.78%
Top 5 customer groups	2,857.43	35.94%	3,063.57	34.79%	1,805.80	26.24%
Top 10 customer groups	3,681.09	46.30%	4,121.49	46.81%	2,670.34	38.80%

We expect that we will continue to be reliant on certain customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations.

Our ability to execute and expand our order book

As of August 31, 2024, we had an order book of ₹8,330.47 million, which constituted 104.78% of our consolidated revenue from operations for Fiscal 2024. Set out below is the split of our order book from our Phenix and Proflex Division, along with a percentage of the order book details against our revenue from operations in Fiscal 2024:

Division	Order book contribution (in ₹ million) as of August 31, 2024	As a percentage of our consolidated revenue from operations in Fiscal 2024 (%)
Phenix Division	6,765.10	85.09%
Proflex Division	1,565.37	19.69%
Total	**8,330.47**	**104.78%**

The growth of our order book is a cumulative indication of the revenues that we expect to recognise in future periods with respect to our existing orders. We cannot assure you that the income anticipated in our order book will be realised or if realised, will be realised on time or result in profits. The number of orders we have received in the past, our existing order book and our growth rate may not be indicative of the number of orders we will receive in the future.

The completion of our orders involves various execution risks including delay or disruption in supply of raw materials, unanticipated cost increases, force majeure events, time and cost overruns, geo-political issues and operational hazards and therefore, we may not always be able to execute our projects within the scheduled time. In the event of any disruptions while executing our projects, due to natural or man-made disasters, workforce disruptions, fire, explosion, failure of machinery, or any significant social, political or economic disturbances or civil disruptions in or around the jurisdictions where such projects are located, our ability to execute our projects may be adversely affected. For details, see "*Risk Factors- Our current order book and our growth rate may not be indicative of the orders we will receive in future. Any delays, modifications in execution, modifications or cancellations of our orders expose us to revenue volatilities adversely impacting our revenue from operations, cash flows and financial conditions*" on page 38.

Capacity Utilization of our Manufacturing Facilities and ability to expand our pan-India manufacturing presence

The table below sets forth the installed production capacity and the capacity utilization of our Sanand Facility and our Cheyyar Facility for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Sanand Facility

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization
Pre-Engineered	MTPA	72,000.00	41,845.30	58.12%	72,000.00	43,483.19	60.39%	72,000.00	38,555.04	53.55%

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization	Annual Installed Capacity*	Actual Production	Capacity Utilization
Buildings										

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.
Note: Installed capacity and annual production indicate the capacity for production of pre-engineered buildings which generally determines the overall capacity of the manufacturing facility. This does not include the individual capacity for manufacturing specific primary and secondary structural components for pre-engineered buildings, structural steel components such as beams, channels, hollow sections which are generally form part of the pre-engineered buildings.

* *It is assumed operations of 365 days a year and 3-shift operation of 8 hours a day for calculation of Installed Capacity of respective facilities of M&B Engineering Ltd*

Our Cheyyar Facility was commissioned in May 2024 with an existing capacity of 31,800 MTPA.

Our Proflex Division operates a fleet of 14 mobile manufacturing units which allows us to address our customers in a wide geographic expanse. Each of our mobile manufacturing unit is equipped with a panel manufacturing machine, a telescopic crane and other ancillary equipment. The installed capacity and capacity utilization for our mobile manufacturing units for Fiscals 2024, 2023 and 2022 respectively are set out below:

Product Segment	Units	As of and for the year ended March 31,								
		2024			2023			2022		
		Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization	Annual Installed Capacity*	Annual Production*	Capacity Utilization
Self-Supported Roofings	Square meters	16,50,000.00	12,31,610.00	74.64%	16,50,000.00	13,66,744.00	82.83%	12,00,000.00	10,66,225.00	88.85%

As certified by Chetan Brahmania, Chartered Engineer, by way of certificate dated September 20, 2024.

As of August 31, 2024, our installed capacity for manufacturing of self-supported roofings was 18,00,000 square metres per annum.

These figures are not indicative of future capacity utilisation rates, which is dependent on various factors, including availability of raw materials, demand for our services, customer preferences, our ability to manage our inventory and implement our growth strategies. Underutilisation of our manufacturing capacities over extended periods, or significant underutilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

Presence of manufacturing plants at diverse strategic locations enables economic and efficient delivery of PEB components to the construction sites. *(Source: CRISIL Report)* Before commissioning of our Cheyyar Facility in 2024, we had only one facility for our PEB business based out of Sanand, Gujarat which limited our ability to effectively service the markets in southern part of India. We intend to expand our operations and set up manufacturing facilities in different regions in India where we are not currently located in order to cater to potential customers in those regions. We believe that geographical diversification of our projects will reduce our reliance on any particular region and allow us to capitalize on opportunities in different states across the country. Our results of operations are dependent on our ability to successfully expand our operations and set up manufacturing facilities.

Raw Material cost and availability

We are exposed to the price risks associated with purchasing our raw materials consumed, which forms the highest component of our expenses. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost. Further, any increase in the price of raw materials consumption, which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business and financial position. While our Company maintains a higher inventory of steel than required, our business and financial position may be impacted by an increase in the price of steel.

The table below sets out our cost of raw materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress in Fiscal 2024, Fiscal 2023 and Fiscal 2022 and such expenses as a percentage of our total expenses for the same periods:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)	In ₹ millions	As a percentage of total expenses (%)
Cost of raw materials consumed including (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress	5,107.84	68.34%	6,052.31	71.75%	4,478.24	66.25%

Our cash flows may be adversely affected due to any gap in time between the date of procurement of those raw materials and the date on which we can reset the component prices for our customers so as to account for the increase in the prices of such raw materials. In addition, we may not be able to pass all of our raw material price increases to our customers. Our ability to adjust pricing terms with customers varies based on our specific customer relationships, market practice with respect to the particular raw material or component and other factors such as raw material content and whether medium-term price fluctuations have been factored into our component prices at the time of price finalisation.

If our Top 3 suppliers, Top 5 suppliers and Top 10 suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

Government Initiatives

As of calendar year 2023, India's annual per capita steel consumption stood at 93 kg per annum, compared to the global average of 219 kg (*Source: CRISIL Report*). As per the CRISIL Report, Government polices like the National Steel Policy aims to increase per capita steel consumption of India and create a technologically advanced and globally competitive steel industry in India to promote self-sufficiency in steel production as well as economic growth. The National Steel Policy focuses on the following three main aspects: (i) increase in consumption of steel through major sectors of infrastructure, automobiles and housing; (ii) to achieve 300MT of steelmaking capacity by 2030; and (iii) to increase per capita steel consumption to the level of 160 Kgs by 2030 (*Source: CRISIL Report*). This is expected to aid pre-engineered building industry by positively impacting the quality of steel available, which is the dominant raw material required for pre-engineered buildings. Additionally, increasing penetration of pre-engineered buildings in infrastructure projects coupled with National Steel Policy's aim to boast steel consumption in infrastructure sector is expected to positively impact pre-engineered buildings. *(Source: CRISIL Report)* A withdrawal of this policy could have an adverse impact on our business, results of operations, cash flows and financial condition.

Furthermore, as per the CRISIL Report, the Government of India has also implemented the Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for government procurement. Additionally, in 2021, the Government of India approved the Production Linked Incentive (PLI) Scheme for specialty steel (*Source: CRISIL Report*). The duration of the Steel PLI Scheme will be five years, from Financial Year 2024 to Financial Year 2028 (*Source: CRISIL Report*). With a budgetary outlay of ₹ 63.2 billion, the Steel PLI Scheme is expected to bring in investment of approximately ₹ 400.0 billion and capacity addition of 25 MT for speciality steel (*Source: CRISIL Report*). These steps will positively impact the availability and quality of steel as a raw material, supporting the PEB industry. (*Source: CRISIL Report*).

We expect to benefit from the above government initiatives and other initiatives similar thereto, and our business growth and continued profitability would depend in part on favorable government initiatives such as these, and in the absence of such favorable initiatives, our growth and future financial performance may be adversely affected.

SIGNIFICANT ACCOUNTING POLICIES

Note 1. Corporate Information

M & B ENGINEERING LIMITED ('the Holding Company or Company') was incorporated on 16th June, 1981. The Company's registered and corporate office is located at MB House, 51, Chandrodaya Society, Opp Golden Triangle, Stadium Road, Post Navjivan, Ahmedabad, Gujarat, India, 380014. The Company is engaged in the business of Pre-Engineered Metal Buildings (PEB), Structural Steel, Self-Supported Steel Roofing and Components thereof.

These Restated Consolidated Financial Statements comprise the Company and its subsidiaries (referred to collectively as the 'Group').

The Group's Restated Consolidated Financial Statements for the year ended March 31 2024, March 31 2023 and March 31 2022 were authorized by Board of Directors on September 23, 2024.

Note 2 Basis of preparation and presentation of restated consolidated financial statements and Significant Accounting Policies

1. Basis of preparation and presentation of restated consolidated financial statements

This note provides a list of the significant accounting policies adopted in the preparation of these restated consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i) **Compliance with IndAS**

The Group's restated consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory regulations require a different treatment.

These Restated Consolidated Financial Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with its proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company 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 from time to time; and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

ii) The Restated Consolidated Financial Statements of the Company comprise of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2024 and 31 March 2023 and 31 March 2022, Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Cash Flow and Restated Consolidated Statement of Changes in Equity for the year ended 31 March 2024 and 31 March 2023 and 31 March 2022, the statement of Significant Accounting Policies and Notes to Restated Consolidated Financial Statements (collectively, the 'Restated Consolidated Financial Statements' or 'Statements').

iii) The Restated Consolidated Financial Statements have been compiled from:

- The Group's consolidated financial statement for the year ended March 31 2024 as authorized by Board of Directors on June 06, 2024.
- Audited Special Purpose Consolidated Financial Statements of the Company as at and for the year ended 31 March 2023 and 31 March 2022 prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 which have been approved by the Board of Directors at their meeting held on June 06, 2024.
- The consolidated financial statement for the period ended 31 March 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022. Upto the Financial year ended March 31, 2023, the Company prepared its consolidated financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS consolidated financial statements were prepared for the purpose of Initial Public Offer (IPO).

- The Special purpose Ind AS consolidated Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2021) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III of the Companies Act, 2013 disclosures followed as at and for the year ended March 31, 2024.

iv) In pursuance to ICDR Regulations, the Company is required to provide Financial Statements (FS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). To comply with such requirements, the company has prepared special purpose Ind AS financial statements for the financial years ending March 31, 2023 and March 31, 2022. The special purpose Ind AS financial statements with required restatement have been included in the restated consolidated financial statements prepared for the purpose of filing the DRHP.

v) The Restated consolidated Financial Statements have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:-

(i) Adjustments to the profits or losses of the earlier periods for the changes in accounting policies to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods and of material errors, wherever required;

(ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the years ended March 31, 2023, March 31, 2022, in order to bring them in line with the groupings as per the Restated Consolidated Financial Statements of the Company for the period ended March 31, 2024 and the requirements of the SEBI Regulations, wherever required; and

(iii) The resultant impact of tax due to the aforesaid adjustments, wherever required.

vi) The Restated consolidated Financial Statements are presented in Indian Rupees ('INR') which is holding company's functional currency, and all values are rounded to nearest millions (INR '000,000) upto two decimal places, except when otherwise indicated.

vii) The Restated Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

viii) **Basis of measurement**

The restated consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in certain equity shares of entities other than subsidiaries and associates	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

ix) **Basis of consolidation**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the restated consolidated financial statements from the date on which control commences until the date on which control ceases.

The following subsidiary companies have been considered in the preparation of the Restated Consolidated Financial Statements:

Name of Entity	Country of Incorporation	Ownership held by	% of Holding & voting power as at		
			31-Mar-2024	31-Mar-2023	31-Mar-2022
Phenix Building Solutions Private Limited*	India	M & B Engineering Limited	100%	-	-
Modtech Machines Private Limited*	India	M & B Engineering Limited	-	51%	51%
Phenix Construction Technologies INC	USA	M & B Engineering Limited	100%	100%	100%

* *Phenix Building Solutions Private Limited was acquired as subsidiary on 01st March, 2024. Modtech Machines Private Limited ceased to exist as a subsidiary on 23rd May, 2023.*

x) **Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2. Significant Material Accounting Policies

A. Use of Estimates

The preparation of financial statements is in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1) **Useful lives and residual value of property, plant and equipment:** Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

2) **Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3) **Impairment of non-financial assets:** Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of an asset, is the higher of, its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4) **Employee benefits:** The cost of the defined benefit and long-term employee benefit plans and the present value of the related obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation, a defined benefit and long-term employee benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. There were qualifications in Audit Report of subsidiary Modtech Machines Pvt Ltd, which has ceased to be subsidiary of the company since May 23, 2023, in the Financial year ended on March 31, 2023 & March 31, 2022 which required adjustments in the Restated Consolidated Financial Statements which is accounting policy of providing for Long term employee benefits as per the Indian Accounting Standard 19, the company has made adjustments of providing long term employee benefits expense on accrual basis in the Restated consolidated Financial Statements. As the said subsidiary is no longer a subsidiary of the Company, said adjustment does not have any impact on the Company's Profitability or Statement of financial statements.

5) **Expense Provisions & contingent liabilities:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions are recognized only when: (i) the Group has a present obligation (legal or constructive) as a result of a past event; and (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. Contingent liability is disclosed in case of: (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and (ii) a present obligation arising from past events, when no reliable estimate is possible.

6) **Valuation of deferred tax:** Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Transaction or event which is recognized outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

B. Property Plant and Equipment and Intangible Assets

Tangible Assets: Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Capital Work in Progress: Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost comprises direct cost, related incidental expenses, pre-operative expenses, project expenses and for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Intangible Assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

C. Depreciation and amortization useful life of Property, Plant & Equipment and Intangible Assets

(i) For Holding Company

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. In respect of Tangible assets acquired during the year depreciation/amortization is charged on a written down value basis for "Proflex Systems" division & on straight line basis for "Phenix Construction Technologies" and "Phenix Infra", so as to write off the cost of the assets over the useful lives as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / disposals of the assets during the current reporting year is provided on pro-rata basis according to the period during which the assets are put to use. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %. Technical Knowhow is to be amortized over the period of 5 years as estimated by the management.

Lease hold land is amortized over the period of lease from the date of commercial production from plant over that lease hold land.

(ii) For Indian Subsidiary Company

Depreciation is provided on straight line method based on the estimated useful life of the assets as specified under Schedule Il of the-Companies Act, 2013.Pro-rata depreciation is charged on additions & deletions during the year. Where the actual cost of purchase of an asset is below INR 5,000/-, the depreciation is provided @ 100 %.

(iii) For Foreign Subsidiary Company

Depreciation is provided as per the Income Tax Rules of the foreign country in which such subsidiary is incorporated.

D. Impairment of Assets

The Group, at each balance sheet date, assesses whether there is any indication of impairment of any asset and / or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and / or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

E. Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

F. Inventory

Materials & Bought outs, Stock in Trade, Stores and Packing materials, Work in Progress and Finished Goods are valued at lower of cost (Weighted average basis) or net realizable value. Cost includes all direct costs and applicable overheads to bring the goods to the present location and condition net of input tax credit receivable, where ever applicable.

G. Financial Instruments

i. Financial Assets

A. Initial recognition and measurement:

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.

B. Subsequent Measurement

a) Financial Assets measured at Amortized Cost (AC): A Financial Asset is measured at Amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI): A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL): A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

d) Other Equity Investments: All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments is recognized in Statement of Profit and loss when the Group's right to receive payment is established.

C. Impairment of financial assets

At each balance sheet date, the Group assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Group measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Group uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

ii. Financial Liabilities

A. Initial Recognition and Measurement: All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement: Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of financial assets and liabilities

The Group derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which substantially all the risk and rewards of ownership of the financial asset are transferred. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Cash & Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade Payables

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

Other financial assets and liabilities

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

H. Revenue Recognition

The Group recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price which is consideration adjusted for discounts, rebates, or other similar items, if any, specified in the contracts with the customers. Revenue excludes any amount collected as taxes on behalf of statutory authorities. The Group recognizes revenue, normally, at the point in time when the goods are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

All other incomes are accounted on accrual basis except insurance claim and dividend income, which is account for on receipt basis.

Export Incentives under various schemes are accounted in the year of realization of benefits.

I. Employee Benefits

Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined contribution plans:

The Group's contribution to provident fund considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

J. Leases

As a lessee, the Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Short-term leases and leases of low-value assets:

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

K. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements.

L. Taxation

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income. In which case, the tax is also recognized in Other Comprehensive Income.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

M. Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to acquisition / construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such asset is installed and put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

N. Segment Reporting

The Group deals in only 1 segment of Pre-Engineered Buildings, Structure Steels, Steel Roofing and Components thereof and hence requirement of Indian Accounting Standard 108 “Operating Segments” issued by ICAI are not applicable.

O. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential securities.

P. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Note 35: Additional regulatory disclosures as per Schedule III of Companies Act. 2013

I. The Group does not have any investment property.

II. As per the Group 's accounting policy, Property, Plant and Equipment and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

III. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

IV. The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

V. Details of transactions with struck off companies: (in INR)

Sr. No.	Name of Struck off company	Nature of transactions with struck off companies	Relationship with the struck off company, if any.	Balance outstanding as on 31/03/2024	Balance outstanding as on 31/03/2023	Purchase/ (Sales)	(Payment)/ Receipt
1	Indra Infra Steels Pvt Ltd	Contractor	Only business relationship	Rs. 2,528 credit	Rs. 2,528 credit	NIL	NIL
2	Cinven Engineering Pvt Ltd	Contractor	Only business relationship	Rs. 1,27,200 credit	Rs. 1,41,355 credit	NIL	Rs. 14,155

VI. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2024.

VII. The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

VIII. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.

IX. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

X. The Group has not operated in any crypto currency or virtual currency transactions.

XI. During the year the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961

Note 29: First-time adoption of Ind AS

The consolidated financial statement for the period ended 31 March 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2022. Upto the Financial year ended March 31, 2023, the Company prepared its consolidated financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS consolidated financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Special purpose Ind AS consolidated Financial Statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2021) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2024

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

1. Deemed cost: Property, plant and equipment, capital work in progress and intangible assets

A first-time adopter may elect to measure an item of property, plant and equipment, right to use assets (leasehold land) at the date of transition at its fair value and use that fair value as its deemed cost at that date. In addition to this, Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for intangible assets as recognized in the Restated Consolidated Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The Group has elected to continue with the carrying value for the property, plant and equipment, capital work in progress and intangible assets and use it as deemed cost (net of depreciation/amortization) as at the date of transition (i.e. April 01, 2021).

2. Leases

As per Indian Accounting Standard (Ind AS) 101 First-time Adoption of Ind AS, provides exceptions to the retrospective application of Ind AS 116 lease. Accordingly, a first-time adopter may assess the classification of each element as finance or an operating lease at the date of transition to Ind AS on the basis of the facts and circumstances existing as at that date. If there is any lease newly classified as finance lease then the first-time adopter may recognize assets and liability at fair value on that date; and any difference between those fair values is recognized in retained earnings. Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption where a first-time adopter may assess whether a contract existing at the date of transition to Ind AS's contains leases by applying paragraph 9-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that date. The Group as first-time adopter as a lessee recognized lease liabilities and right to use assets, and had adopted following approach to all of its leases by adopting modified retrospective method: (a) measured a lease liability at the date of transition to Ind AS. The Group has measured that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. (b) measured a right-of-asset at the date of transition to Ind AS. The right-of-use assets were recognized based on the amount equal to the lease liabilities, and accrued lease payments previously recognized and reclassification of Leasehold land recognized previously under finance leases from property, plant and equipment.

Practical expedients applied:

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

(b) elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the lease term ends within 12 months of the date of transition to Ind AS. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.

(c) elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the underlying asset is of low value. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.

(d) excluded initial direct costs from the measurement of the right to use assets at the date of transition to Ind AS.

3. Investments in certain equity shares

On the date of transition to Ind AS, a first-time adopter can designate investments in certain equity shares of certain entities i.e. other than subsidiaries, associates and joint arrangements, as instruments fair valued through the other comprehensive income (FVOCI) or Fair value through Profit and loss (FVTPL).

Accordingly, the Group has opted to designate such equity investments as FVTPL.

Ind AS mandatory exceptions

1. Estimate

The estimates at April 01, 2021, March 31 2022 and at March 31, 2023 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried at amortized cost.
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2021, the date of transition to Ind AS and as of March 31, 2022 and March 31, 2023.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Group has applied the above requirement on transition date.

Footnotes to the Statement of Assets and Liabilities as at April 01, 2021; March 31, 2022 and March 31, 2023 and Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2022 and March 31, 2023.

A. Leases

Lease recognized as operating leases in previous GAAP The Group has adopted modified retrospective method of Ind AS 116 and recognized the lease liabilities and right-to-use assets at the date of transition to Ind AS i.e. April 01, 2021 on the leases existing at that date. Lease liability recognized at fair value by measuring at present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. Right to use asset recognized an amount equal to the lease liability and security deposit of the respective lease. Hence at the date of transition to Ind AS i.e. April 01, 2021, lease liability of Rs. 20.28 Millions and right to use asset of Rs. 20.89 Millions were recognized. This led to increase in depreciation and interest expense by Rs. 5.55 Millions and 1.66 Millions respectively and decrease in (reversal of) rent of Rs. 5.86 Millions in the year ended March 31, 2022 and increase in depreciation and interest expense by Rs. 6.66 Millions and 1.52 Millions respectively and decrease in (reversal of) rent of Rs. 7.27 Millions in the year ended March 31, 2023

B. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Accordingly, deferred tax liability is increased by 1.60 Millions as at March 31, 2023, by 2.17

Millions as at March 31, 2022 and by 1.05 Millions as at April 01, 2021.The deferred tax charge (credit) is decreased by Rs. 1.12 Millions in year ended March 31, 2022 and increased by Rs.0.58 Millions in year ended March 31, 2023.

C. Fair valuation in certain financial assets

Under the Previous GAAP, investments in equity shares of entities not consolidated and mutual funds were classified as long-term investments measured at cost less provision for other than temporary diminution in the value. Under Ind AS, these investments have been fair valued through the statement of profit or loss. This has increased the investment carrying value by by INR 10.12 Millions, INR 20.89 Millions and INR 15.38 Millions on April 1, 2021, March 31, 2022 and March 31, 2023 respectively as compared to IGAAP. Security Deposit and Earnest Money Deposit have also been measured at Fair Value at the time of Ind AS adoption.

D. Actuarial gains and losses accounted through OCI

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under IGAAP, these remeasurements were forming part of the profit or loss for the year. Accordingly, INR 3.71 Millions (net of taxes 2.78 Millions) and INR 3.53 Millions (net of taxes 2.64 Millions) has been reclassified from the statement of profit and loss to statement of comprehensive income in 2022-23 and 21-22 respectively. However, this adjustment has no impact on the total equity on the transition date as well as March 31, 2023 and March 31 2022.

E. Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

F. Retained earnings

Retained earnings as at April 1, 2021 has been adjusted consequent to the Ind AS transition adjustments.

KEY COMPONENTS OF OUR RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Set forth below are the key components of our Restated Consolidated Statement of Profit and Loss:

Total Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) sale of products, and (ii) sales from erection services.

Other Income

Other income primarily comprises of (i) interest income, (ii) gain on liquid funds, (iii) profit on sale of investment, (iv) unrealised gain of fair value on equity instruments, (v) profit on sale of assets, (vi) bad debts written back, (vii) export incentives, (viii) exchange fluctuation (net), (ix) interest on security deposit, (x) interest on EMD deposit, and (xi) miscellaneous income.

Expenses

Our expenses primarily comprise (i) cost of materials consumed and operational expenses, (ii) (Increase)/Decrease in inventories of finished goods, stock in trade and work-in-progress, (iii) employee benefit expenses, (iv) finance costs, (v) depreciation and amortisation expense, and (vi) other expenses.

Cost of materials consumed and operational expenses

Cost of materials consumed and operational expenses consists of (i) cost of materials consumed, (ii) stores and spares consumed, and (iii) operational expenses.

(Increase)/Decrease in inventories of finished goods, stock in trade and work-in-progress

(Increase)/Decrease in inventories of finished goods, stock in trade and work-in-progress consists of calculating the difference between (i) work in progress, (ii) stock in trade, (iii) finished goods, at beginning of the year and at the end of the year.

Employee Benefit Expenses

Employee benefit expenses comprises (i) salaries and wages, (ii) contribution to provident and other funds and (iii) staff welfare.

Finance Costs

Finance costs comprises (i) interest expense, (ii) bank charges and (iii) interest on lease liability.

Depreciation and Amortisation Expense

Depreciation and amortisation expense comprises (i) depreciation on property, plant and equipment, (ii) Amortisation of intangible assets and (iii) depreciation on right of use assets.

Other Expenses

Other expenses comprise of power and fuel, rent, repairs to machinery, building and others, unrealised loss of fair value on equity instruments, insurance, rates and taxes, auditors' remuneration, postage, telegram and telephone, stationery, printing expenses, factory expenses, conveyance and vehicle expenses, legal and consultancy, staff recruitment and staff training expenses, travelling expenses, electric expense, exchange fluctuation (net), bad debt written off, sundry balance written off, advertisement and publicity expenses, packing expenses, sales commission, transportation outward expenses, export expenses, miscellaneous expenses, manpower supply (contractual labour), security expenses, corporate social responsibility, donation, exhibition expenses, sales promotion expenses, fair value loss on sundry deposits and conference expenses.

Tax expenses

Our tax expense for the period represents the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities and taxes related to earlier periods.

Restated Profit/(loss) for the period

Restated Profit for the period represents restated profit after tax before other comprehensive income.

RESULTS OF OPERATIONS

The following tables set forth our selected financial data from our restated consolidated statement of profit and loss for Fiscal 2024, Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of total income for such years:

Particulars	**For the year ended March 31**					
	2024		**2023**		**2022**	
	In ₹ million	**As a percentage of total income**	**In ₹ million**	**As a percentage of total income**	**In ₹ million**	**As a percentage of total income**
Revenue from operations	7,950.60	98.37%	8,804.70	99.04%	6,882.25	98.47%
Other income	132.00	1.63%	85.34	0.96%	106.98	1.53%
I. Total income (I)	8,082.60	100.00%	8,890.04	100.00%	6,989.23	100.00%
Cost of materials consumed and operational expenses	5,771.69	71.41%	6,563.38	73.83%	5,167.30	73.93%
(Increase)/ Decrease in inventories of finished goods, traded goods, and work-in-progress	(37.71)	(0.47)%	116.39	1.31%	(214.80)	(3.07)%
Employee benefit expenses	809.09	10.01%	753.52	8.48%	705.62	10.10%
Finance costs	230.58	2.85%	191.79	2.16%	189.61	2.71%
Depreciation and amortization expense	88.80	1.10%	103.01	1.16%	105.85	1.51%
Other expenses	611.31	7.56%	707.11	7.95%	805.79	11.53%
II. Total expenses (II)	7,473.76	92.47%	8,435.20	94.88%	6,759.37	96.71%
III. Restated Profit before tax (I-II)	608.84	7.53%	454.84	5.12%	229.86	3.29%
IV. Tax expenses						
Current tax	157.65	1.95%	131.37	1.48%	82.88	1.19%
Deferred tax charge/ (credit)	(5.15)	(0.06)%	(5.45)	(0.06)%	(16.15)	(0.23)%
IV. Total tax expense (IV)	152.50	1.89%	125.92	1.42%	66.73	0.95%
V. Restated Profit for the year (III-IV)	456.34	5.65%	328.92	3.70%	163.13	2.33%

Particulars	For the year ended March 31					
	2024		2023		2022	
	In ₹ million	As a percentage of total income	In ₹ million	As a percentage of total income	In ₹ million	As a percentage of total income
Restated other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Re-measurement gain/ (loss) on defined benefit plans	(11.03)	(0.14)%	(4.11)	(0.05)%	(3.53)	(0.05)%
Restated Other comprehensive income/(loss) for the year, net of tax (VI)	(11.03)	(0.14)%	(4.11)	(0.05)%	(3.53)	(0.05)%
Restated total comprehensive income for the year, net of tax (V-VI)	445.31	5.51%	324.81	3.65%	159.60	2.28%
Less/(Add) Non-Controlling Interest	(2.25)	(0.03)%	(12.00)	(0.13)%	(37.47)	(0.54)%
Total Comprehensive Income for the year (After Non-Controlling Interest)	447.56	5.54%	336.81	3.79%	197.07	2.82%

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total income decreased by 9.08% from ₹ 8,890.04 million in Fiscal 2023 to ₹ 8,082.60 million in Fiscal 2024 primarily due to the reasons set out below:

Revenue from operations

Revenue from operations decreased by 9.70% from ₹ 8,804.70 million in Fiscal 2023 to ₹ 7,950.60 million in Fiscal 2024 primarily due to decrease in sales within India by 6.63% from ₹ 7,654.06 million in Fiscal 2023 to ₹ 7,146.85 million in Fiscal 2024 and decrease in sales outside India by 68.14% from ₹ 602.57 million in Fiscal 2023 to ₹ 191.99 million in Fiscal 2024, which was partially offset by increase in sales from erection services by 11.62% from ₹ 548.07 million in Fiscal 2023 to ₹ 611.76 million in Fiscal 2024. The decrease in sales within India in Fiscal 2024 as compared to Fiscal 2023 is primarily attributable to reduction in the prices of the primary raw material – i.e., different grades of steel in Fiscal 2024, as compared to the steel prices in Fiscal 2023, resulting in lower sales realisations. The decrease in sales outside India in Fiscal 2024 as compared to Fiscal 2023 is primarily attributable to reduction in sales outside India from certain geographies that we export to.

Other income

Other income increased by 54.68% from ₹ 85.34 million in Fiscal 2023 to ₹ 132.00 million in Fiscal 2024 primarily due to increase in interest income by 15.21% from ₹ 45.23 million in Fiscal 2023 to ₹ 52.11 million in Fiscal 2024, increase in gain on liquid funds by 229.82% from ₹ 13.58 million in Fiscal 2023 to ₹ 44.79 million in Fiscal 2024, increase in unrealised gain by fair value on equity instruments from nil in Fiscal 2023 to ₹ 13.31 million in Fiscal 2024, increase in exchange rate fluctuations (net) from nil in Fiscal 2023 to ₹ 6.43 million in Fiscal 2024, increase in interest on EMD Deposit by 52.02% from ₹ 2.23 million in Fiscal 2023 to ₹ 3.39 million in Fiscal 2024, increase in miscellaneous income by 36.58% from ₹ 4.21 million in Fiscal 2023 to ₹ 5.75 million in Fiscal 2024 which was partially offset by decrease in bad debts written back by 90.81% from ₹ 13.27 million in Fiscal 2023 to ₹ 1.22 million in Fiscal 2024 and decrease in export incentives by 53.83% from ₹ 5.74 million in Fiscal 2023 to ₹ 2.65 million in Fiscal 2024.

Expenses

Total expenses decreased by 11.40% from ₹ 8,435.20 million in Fiscal 2023 to ₹ 7,473.76 million in Fiscal 2024 on account of the factors discussed below:

Cost of materials consumed and operational expenses

Cost of materials consumed and operational expenses decreased by 12.06% from ₹ 6,563.38 million in Fiscal 2023 to ₹ 5,771.69 million in Fiscal 2024.

Cost of materials consumed decreased by 13.32% from ₹ 5,935.92 million in Fiscal 2023 to ₹ 5,145.55 million in Fiscal 2024 and stores and spares consumed decreased by 5.94% from ₹ 49.48 million in Fiscal 2023 to ₹ 46.54 million in Fiscal 2024 which was offset by increase in operational expenses by 0.28% from ₹ 577.98 million in Fiscal 2023 to ₹ 579.60 million in

Fiscal 2024.

Operational expenses increased by 0.28% from ₹ 577.98 million in Fiscal 2023 to ₹ 579.60 million in Fiscal 2024 primarily due to increase in erection charges of 3.88% from ₹ 415.39 million in Fiscal 2023 to ₹ 431.51 million in Fiscal 2024 and increase in site conveyance expenses by 7.16% from ₹ 25.57 million in Fiscal 2023 to ₹ 27.40 million in Fiscal 2024 which was partially offset by decrease in crane hire charges by 26.29% from ₹ 33.93 million in Fiscal 2023 to ₹ 25.01 million in Fiscal 2024, decrease in site diesel expenses by 17.74% from ₹ 36.19 million in Fiscal 2023 to ₹ 29.77 million in Fiscal 2024 and decrease in site lodging & boarding expenses by 5.80% from ₹ 36.39 million in Fiscal 2023 to ₹ 34.28 million in Fiscal 2024.

(Increase)/Decrease in inventories of finished goods, stock in trade and work in progress

There was a net increase in inventories of finished goods, stock in trade and work in progress of ₹ 37.71 million in Fiscal 2024 as compared to a net reduction in inventory of finished goods, stock in trade and work in progress of ₹ 116.39 million in Fiscal 2023.

The difference in change in inventories is primarily due to work-in-progress which was ₹ 122.40 million at the beginning of Fiscal 2023 and ₹ 104.36 million at the end of Fiscal 2023, stock-in-trade which was ₹ 93.06 million at the beginning of Fiscal 2023 and ₹ 11.36 million at the end of Fiscal 2023, finished goods which were ₹ 114.17 million at the beginning of Fiscal 2023 and ₹ 97.52 million at the end of Fiscal 2023 and work-in-progress which was ₹ 110.30 million at the beginning of Fiscal 2024 and ₹ 63.18 million at the end of Fiscal 2024, stock in trade which was ₹ 11.36 million at the beginning of Fiscal 2024 and ₹ 29.06 million at the end of Fiscal 2024 and finished goods which were ₹ 97.52 million at the beginning of Fiscal 2024 and ₹ 164.65 million at the end of Fiscal 2024. The reduction in work in progress inventory at the end of Fiscal 2024 as compared to the beginning of Fiscal 2024 is attributable to higher operational efficiencies achieved by the Company towards the close of Fiscal 2024. The increase in the inventories of stock in trade and finished goods at the end of Fiscal 2024 as compared to the beginning of Fiscal 2024 is attributable to higher production achieved by the Company towards the end of Fiscal 2024 but which could not be dispatched before the end of Fiscal 2024 and which was thus carried forward as part of the closing inventory of stock in trade and work in progress as at the end of Fiscal 2024.

Employee benefit expenses

Employee benefit expenses increased by 7.37% from ₹ 753.52 million in Fiscal 2023 to ₹ 809.09 million in Fiscal 2024 primarily due to increase in salaries and wages by 6.37% from ₹ 684.29 million in Fiscal 2023 to ₹ 727.89 million in Fiscal 2024, increase in staff welfare expense by 3.92% from ₹ 40.03 million in Fiscal 2023 to ₹ 41.60 million in Fiscal 2024 and increase in contribution to provident and other funds by 35.62% from ₹ 29.20 million in Fiscal 2023 to ₹ 39.60 million in Fiscal 2024.

Finance costs

Finance costs increased by 20.23% from ₹ 191.79 million in Fiscal 2023 to ₹ 230.58 million in Fiscal 2024 primarily due to increase in interest expense by 20.16% from ₹ 152.64 million in Fiscal 2023 to ₹ 183.41 million in Fiscal 2024 and increase in bank charges by 22.79% from ₹ 37.64 million in Fiscal 2023 to ₹ 46.22 million in Fiscal 2024 which was partially offset by decrease in interest on lease liability by 37.09% from ₹ 1.51 million in Fiscal 2023 to ₹ 0.95 million in Fiscal 2024.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by 13.79% from ₹ 103.01 million in Fiscal 2023 to ₹ 88.80 million in Fiscal 2024 primarily due to decrease in depreciation on property, plant & equipment by 12.30% from ₹ 83.72 million in Fiscal 2023 to ₹ 73.42 million in Fiscal 2024, decrease in amortisation of intangible assets by 30.70% from ₹ 12.64 million in Fiscal 2023 to ₹ 8.76 million in Fiscal 2024 and decrease in depreciation of right of use assets by 0.45% from ₹ 6.65 million in Fiscal 2023 to ₹ 6.62 million in Fiscal 2024.

Other expenses

Other expenses decreased by 13.55% from ₹ 707.11 million in Fiscal 2023 to ₹ 611.31 million in Fiscal 2024 primarily due to decrease in repairs to building by 93.16% from ₹ 13.74 million in Fiscal 2023 to ₹ 0.94 million in Fiscal 2024, decrease in legal and consultancy charges by 13.08% from ₹ 41.44 million in Fiscal 2023 to ₹ 36.02 million in Fiscal 2024, decrease in travelling expenses by 24.25% from ₹ 40.46 million in Fiscal 2023 to ₹ 30.65 million in Fiscal 2024, decrease in transportation outward expenses by 6.88% from ₹ 156.65 million in Fiscal 2023 to ₹ 145.88 million in Fiscal 2024 and decrease in export expenses by 89.50% from ₹ 119.39 million in Fiscal 2023 to ₹ 12.54 million in Fiscal 2024 which was partially offset by increase in power and fuel by 9.35% from ₹ 26.64 million in Fiscal 2023 to ₹ 29.13 million in Fiscal 2024, increase in factory expenses by 55.65% from ₹ 7.08 million in Fiscal 2023 to ₹ 11.02 million in Fiscal 2024, increase in conveyance and vehicle expenses by 13.89% from ₹ 40.31 million in Fiscal 2023 to ₹ 45.91 million in Fiscal 2024, increase in manpower supply (contractual labour) by 8.93% from ₹ 100.03 million in Fiscal 2023 to ₹ 108.96 million in Fiscal 2024 and increase in bad debt written off 189.21% from ₹ 19.27 million in Fiscal 2023 to ₹ 55.73 million in Fiscal 2024.

Tax Expenses

Total tax expense increased by 21.11% from ₹ 125.92 million in Fiscal 2023 to ₹ 152.50 million in Fiscal 2024 primarily due to increase in restated profit before tax to ₹ 608.84 million in Fiscal 2024 from ₹ 454.84 million in Fiscal 2023.

Restated Profit for the year

As a result of the foregoing factors, our restated profit after tax for the period increased by 38.74% to ₹ 456.34 million for Fiscal 2024 from ₹ 328.92 million for Fiscal 2023.

FISCAL 2023 COMPARED TO FISCAL 2022

Total Income

Total income increased by 27.20% from ₹ 6,989.23 million in Fiscal 2022 to ₹ 8,890.04 million in Fiscal 2023 primarily due to the reasons set out below:

Revenue from operations

Revenue from operations increased by 27.93% from ₹ 6,882.25 million in Fiscal 2022 to ₹ 8,804.70 million in Fiscal 2023 primarily due to increase in sales within India by 32.07% from ₹ 5,795.47 million in Fiscal 2022 to ₹ 7,654.06 million in Fiscal 2023 and increase in sales from erection services by 68.34% from ₹ 325.58 million in Fiscal 2022 to ₹ 548.07 million in Fiscal 2023, which was partially offset by decrease in sales outside India by 20.84% from ₹ 761.20 million in Fiscal 2022 to ₹ 602.57 million in Fiscal 2023. The increase in the sales within India in Fiscal 2023 as compared to Fiscal 2022 is primarily attributable to restoration of normal sales levels in the Indian market in Fiscal 2023 as compared to Fiscal 2022 when the sales in the Indian market were adversely impacted due to the impact of the Covid-19 Pandemic which had continued in Fiscal 2022. The reduction in sales outside India in Fiscal 2023 as compared to Fiscal 2022 is attributable to execution of certain large orders from outside India in Fiscal 2022 in certain geographies, which were not repeated by procurement of similar orders in Fiscal 2023.

Other income

Other income decreased by 20.23% from ₹ 106.98 million in Fiscal 2022 to ₹ 85.34 million in Fiscal 2023 primarily due to decrease in unrealised gain of fair value on equity instruments from ₹ 10.77 million in Fiscal 2022 to nil in Fiscal 2023, decrease in bad debts written back by 60.20% from ₹ 33.34 million in Fiscal 2022 to ₹ 13.27 million in Fiscal 2023, decrease in exchange rate fluctuations (net) from ₹ 7.49 million in Fiscal 2022 to nil in Fiscal 2023 and decrease in miscellaneous income by 5.61% from ₹ 4.46 million in Fiscal 2022 to ₹ 4.21 million in Fiscal 2023 which was partially offset by increase in interest income by 11.73% from ₹ 40.48 million in Fiscal 2022 to ₹ 45.23 million in Fiscal 2023, increase in gain on liquid funds from nil in Fiscal 2022 to ₹ 13.58 million in Fiscal 2023, increase in export incentives by 4.55% from ₹ 5.49 million in Fiscal 2022 to ₹ 5.74 million in Fiscal 2023 and increase in interest on EMD Deposit by 75.59% from ₹ 1.27 million in Fiscal 2022 to ₹ 2.23 million in Fiscal 2023.

Expenses

Total expenses increased by 24.79% from ₹ 6,759.37 million in Fiscal 2022 to ₹ 8,435.20 million in Fiscal 2023 on account of the factors discussed below:

Cost of materials consumed and operational expenses

Cost of materials consumed and operational expenses increased by 27.02% from ₹ 5,167.30 million in Fiscal 2022 to ₹ 6,563.38 million in Fiscal 2023

Cost of materials consumed increased by 26.48% from ₹ 4,693.04 million in Fiscal 2022 to ₹ 5,935.92 million in Fiscal 2023, stores and spares consumed increased by 14.99% from ₹ 43.03 million in Fiscal 2022 to ₹ 49.48 million in Fiscal 2023 and operational expenses increased by 34.03% from ₹ 431.23 million in Fiscal 2022 to ₹ 577.98 million in Fiscal 2023.

Operational expenses increased by 34.03% from ₹ 431.23 million in Fiscal 2022 to ₹ 577.98 million in Fiscal 2023 primarily due to increase in erection charges of 45.19% from ₹ 286.11 million in Fiscal 2022 to ₹ 415.39 million in Fiscal 2023, increase in site conveyance expenses by 9.74% from ₹ 23.30 million in Fiscal 2022 to ₹ 25.57 million in Fiscal 2023, increase in crane hire charges by 7.24% from ₹ 31.64 million in Fiscal 2022 to ₹ 33.93 million in Fiscal 2023, increase in site diesel expenses by 15.73% from ₹ 31.27 million in Fiscal 2022 to ₹ 36.19 million in Fiscal 2023 and increase in site lodging & boarding expenses by 11.01% from ₹ 32.78 million in Fiscal 2022 to ₹ 36.39 million in Fiscal 2023.

(Increase)/Decrease in inventories of finished goods, stock in trade and work in progress

There was a net decrease in inventories of finished goods, stock in trade and work in progress of ₹ 116.39 million in Fiscal 2023 as compared to net increase in inventory of finished goods, stock in trade and work in progress of ₹ 214.80 million in Fiscal 2022.

The difference in change in inventories is primarily due to work-in-progress which was ₹ 68.52 million at the beginning of Fiscal 2022 and ₹ 122.40 million at the end of Fiscal 2022, stock-in-trade which was Nil at the beginning of Fiscal 2022 and ₹ 93.06 million at the end of Fiscal 2022, finished goods which were ₹ 46.31 million at the beginning of Fiscal 2022 and ₹ 114.17 million at the end of Fiscal 2022 and work-in-progress which was ₹ 122.40 million at the beginning of Fiscal 2023 and ₹ 104.36 million at the end of Fiscal 2023, stock in trade which was ₹ 93.06 million at the beginning of Fiscal 2023 and ₹ 11.36 million at the end of Fiscal 2023 and finished goods which were ₹ 114.17 million at the beginning of Fiscal 2023 and ₹ 97.52 million at the end of Fiscal 2023.

Employee benefit expenses

Employee benefit expenses increased by 6.79% from ₹ 705.62 million in Fiscal 2022 to ₹ 753.52 million in Fiscal 2023 primarily due to increase in salaries and wages by 6.40% from ₹ 643.11 million in Fiscal 2022 to ₹ 684.29 million in Fiscal 2023, increase in staff welfare expense by 39.53% from ₹ 28.69 million in Fiscal 2022 to ₹ 40.03 million in Fiscal 2023 which was partially offset by decrease in contribution to provident and other funds by 13.66% from ₹ 33.82 million in Fiscal 2022 to ₹ 29.20 million in Fiscal 2023.

Finance costs

Finance costs increased by 1.15% from ₹ 189.61 million in Fiscal 2022 to ₹ 191.79 million in Fiscal 2023 primarily due to increase in interest expense by 2.53% from ₹ 148.87 million in Fiscal 2022 to ₹ 152.64 million in Fiscal 2023 which was partially offset by decrease in bank charges by 3.68% from ₹ 39.08 million in Fiscal 2022 to ₹ 37.64 million in Fiscal 2023 and decrease in interest on lease liability by 9.04% from ₹ 1.66 million in Fiscal 2022 to ₹ 1.51 million in Fiscal 2023.

Depreciation and amortisation expense

Depreciation and amortisation expense decreased by 2.68% from ₹ 105.85 million in Fiscal 2022 to ₹ 103.01 million in Fiscal 2023 primarily due to decrease in depreciation on property, plant & equipment by 0.70% from ₹ 84.31 million in Fiscal 2022 to ₹ 83.72 million in Fiscal 2023, decrease in amortisation of intangible assets by 20.95% from ₹ 15.99 million in Fiscal 2022 to ₹ 12.64 million in Fiscal 2023 which was partially offset by increase in depreciation on right of use assets by 19.82% from ₹ 5.55 million in Fiscal 2022 to ₹ 6.65 million in Fiscal 2023.

Other expenses

Other expenses decreased by 12.25% from ₹ 805.79 million in Fiscal 2022 to ₹ 707.11 million in Fiscal 2023 primarily due to decrease in export expenses by 59.21% from ₹ 292.73 million in Fiscal 2022 to ₹ 119.39 million in Fiscal 2023, decrease in bad debt written off by 63.20% from ₹ 52.36 million in Fiscal 2022 to ₹ 19.27 million in Fiscal 2023 and decrease in factory expenses by 24.76% from ₹ 9.41 million in Fiscal 2022 to ₹ 7.08 million in Fiscal 2023, partially offset by increase in conveyance and vehicle expenses by 5.36% from ₹ 38.26 million in Fiscal 2022 to ₹ 40.31 million in Fiscal 2023, increase in legal and consultancy charges by 35.69% from ₹ 30.54 million in Fiscal 2022 to ₹ 41.44 million in Fiscal 2023, increase in travelling expenses by 64.00% from ₹ 24.67 million in Fiscal 2022 to ₹ 40.46 million in Fiscal 2023, increase in transportation outward expenses by 34.92% from ₹ 116.11 million in Fiscal 2022 to ₹ 156.65 million in Fiscal 2023 and increase in manpower supply (contractual labour) expenses by 21.18% from ₹ 82.55 million in Fiscal 2022 to ₹ 100.03 million in Fiscal 2023.

Tax Expenses

Total tax expense increased by 88.70% from ₹ 66.73 million in Fiscal 2022 to ₹ 125.92 million in Fiscal 2023 primarily due to increase in restated profit before tax to ₹ 454.84 million in Fiscal 2023 from ₹ 229.86 million in Fiscal 2022.

Restated Profit for the year

As a result of the foregoing factors, our restated profit after tax for the period increased by 101.63% to ₹ 328.92 million for Fiscal 2023 from ₹ 163.13 million for Fiscal 2022.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

Our principal capital requirements are for financing our capital expenditure and working capital requirements. Our principal source of funding has been and is expected to continue to be cash generated from our operations and supplemented by borrowings from banks and financial institutions and optimization of operating working capital. For the Fiscal 2024, Fiscal 2023 and Fiscal 2022, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings.

Liquidity

Our liquidity requirements arise principally from our operating activities, repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash from operations, short-term and long-term borrowings from financial institutions, cash and cash equivalents.

Cash

Our anticipated cash flows are dependent on various factors that are beyond our control. See "*Risk Factors*" beginning on page 29. The following table sets forth certain information relating to our cash flows in Fiscal 2024, 2023 and 2022:

(in ₹ millions)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net cash flows from operating activities	52.03	289.70	366.68
Net cash flows (used in) investing activities	(622.81)	(119.44)	(24.89)
Net cash flows generated from/ (used in) financing activities	323.20	297.38	(333.20)
Net increase/ (decrease) in cash and cash equivalents	(247.58)	467.64	8.59
Cash and cash equivalents at the end of the year	734.41	981.99	514.35

Cash Flows generated from Operating Activities

Fiscal 2024

We generated ₹ 52.03 million net cash from operating activities during Fiscal 2024. Restated profit before tax for Fiscal 2024 was ₹ 608.84 million. Adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortization of ₹ 88.80 million, reversal on sale of subsidiary of ₹ 60.42 million, interest paid of ₹ 229.63 million and exchange rate fluctuation and other related adjustments arising on consolidation of ₹ 27.59 million, which was partially offset by gain on liquid funds (net) of ₹ 44.79 million, unrealised gain of fair value on equity instruments of ₹ 13.31 million, interest income on security deposits and EMD of ₹ 3.57 million and interest income of ₹ 52.11 million.

Our adjustments for working capital changes for Fiscal 2024 primarily consisted of increase in trade and other receivables of ₹ 128.65 million, increase in inventories of ₹ 211.69 million, decrease in trade payables and other liabilities of ₹ 408.02 million, increase in other current liabilities of ₹ 78.61 million, increase in other financial liabilities of ₹ 19.73 million and decrease in short term provisions of ₹ 5.38 million.

Cash generated from operations in Fiscal 2024 amounted to ₹ 233.33 million. This was offset by direct taxes paid (net of refunds) of ₹ 181.30 million.

Fiscal 2023

We generated ₹ 289.70 million net cash from operating activities during Fiscal 2023. Restated profit before tax for Fiscal 2023 was ₹ 454.84 million. Adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortization of ₹ 103.01 million, interest paid of ₹ 190.28 million, unrealised loss of fair value on equity instruments of ₹ 5.51 million and exchange rate fluctuation and other related adjustments arising on consolidation of ₹ 14.38 million. This was partially offset by interest income on security deposits and EMD of ₹ 2.39 million, gain on liquid funds (net) of ₹ 13.58 million and interest income of ₹ 45.23 million.

Our adjustments for working capital changes for Fiscal 2023 primarily consisted of decrease in trade and other receivables of ₹ 138.28 million, decrease in inventories of ₹ 289.47 million, decrease in trade payables and other liabilities of ₹ 676.14 million, decrease in other current liabilities of ₹ 66.95 million, increase in other financial liabilities of ₹ 23.27 million and increase in short term provisions of ₹ 0.21 million.

Cash generated from operations in Fiscal 2023 amounted to ₹ 410.92 million. This was offset by direct taxes paid (net of refunds of ₹ 121.22 million.

Fiscal 2022

We generated ₹ 366.68 million net cash from operating activities during Fiscal 2022. Restated profit before tax for Fiscal 2022 was ₹ 229.86 million. Adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortization of ₹ 105.85 million and interest paid of ₹ 187.95 million. This was partially offset by interest income of ₹ 40.48 million, unrealised gain of fair value on equity instruments of ₹ 10.77 million and interest income on security deposits and EMD of ₹ 1.42 million

Our adjustments for working capital changes for Fiscal 2022 primarily consisted of increase in trade and other receivables of ₹ 474.27 million, increase in inventories of ₹ 759.16 million, increase in trade payables and other liabilities of ₹ 904.00 million, increase in other current liabilities of ₹ 293.65 million, increase in other financial liabilities of ₹ 4.44 million and increase in short term provisions of ₹ 17.48 million.

Cash generated from operations in Fiscal 2022 amounted to ₹ 449.91 million. This was offset by direct taxes paid (net of refunds) of ₹ 83.23 million.

Cash Flow used in Investing Activities

Fiscal 2024

Net cash used in investing activities was ₹ 622.81 million in Fiscal 2024, primarily on account of purchase of fixed assets of ₹ 780.79 million. This was partially offset by sales of fixed assets of ₹ 65.08 million, interest received of ₹ 52.11 million and proceeds from liquid funds (net) of ₹ 44.79 million.

Fiscal 2023

Net cash used in investing activities was ₹ 119.44 million in Fiscal 2023, primarily on account of purchase of fixed assets of ₹ 181.96 million. This was partially offset by interest received of ₹ 45.23 million and proceeds from liquid funds (net) of ₹ 13.58 million.

Fiscal 2022

Net cash used in investing activities was ₹ 24.89 million in Fiscal 2022, primarily on account of purchase of fixed assets of ₹ 77.83 million and purchase of investment of ₹ 12.75 million. This was partially offset by loans and advances taken of ₹ 22.08 million and interest received of ₹ 40.48 million.

Cash Flow generated from/ (used in) Financing Activities

Fiscal 2024

Net cash generated from financing activities was ₹ 323.20 million in Fiscal 2024, primarily on account of proceeds from borrowings (net) of ₹ 119.94 million and proceeds from term loan of ₹ 441.00 million. This was partially offset by repayment of lease liability of ₹ 8.11 million and finance cost of ₹ 229.63 million.

Fiscal 2023

Net cash generated from financing activities was ₹ 297.38 million in Fiscal 2023, primarily on account of proceeds from borrowings (net) of ₹ 478.39 million and proceeds from term loan of ₹ 13.26 million. This was partially offset by repayment of lease liability of ₹ 3.99 million and finance cost of ₹ 190.28 million.

Fiscal 2022

Net cash used in financing activities was ₹ 333.20 million in Fiscal 2022, primarily on account of repayment of borrowings (net) of ₹ 139.39 million, repayment of lease liability of ₹ 5.86 million and finance cost of ₹ 187.95 million.

NON-GAAP MEASURES

Certain measures included in this Draft Red Herring Prospectus, for instance, EBIT, EBITDA, EBITDA Margin, PAT Margin, Return on Equity, Return on Capital Employed, Net Debt, Net Debt to EBITDA, Net Debt to Equity, Net Fixed Assets Turnover Ratio and Net Asset Value (per Equity Share) (Non-GAAP Measures) presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measure differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA have been included in this Draft Red Herring Prospectus*."

Reconciliation for the following non-GAAP financial measures included in this Draft Red Herring Prospectus are set out below for the periods indicated:

Reconciliation of Restated Profit for the year to EBITDA and EBITDA Margin:

(in ₹ million, unless stated otherwise)

Particulars	**Year ended March 31,**		
	2024	**2023**	**2022**
Restated Profit for the year (I)	**456.34**	**328.92**	**163.13**
Adjustments:			
Less: Other income (II)	132.00	85.34	106.98
Add: Total tax expense (III)	152.50	125.92	66.73
Add: Finance costs (IV)	230.58	191.79	189.61
Add: Depreciation and amortization expenses (V)	88.80	103.01	105.85
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (VI = I - II + III + IV + V)	**796.22**	**664.30**	**418.34**
Revenue from Operations (VII)	**7,950.60**	**8,804.70**	**6,882.25**
EBITDA Margin (VIII =VI/VII)	**10.01%**	**7.54%**	**6.08%**

Reconciliation of Restated Profit for the year to PAT Margin:

(in ₹ million, unless stated otherwise)

Particulars	**Year ended March 31,**		
	2024	**2023**	**2022**
Restated Profit for the year (I)	**456.34**	**328.92**	**163.13**
Total Income (II)	**8,082.60**	**8,890.04**	**6,989.23**
PAT Margin (III=I/II)	**5.65%**	**3.70%**	**2.33%**

Reconciliation of Total Equity to Return on Equity:

(in ₹ million, unless stated otherwise)

Particulars	**Year ended March 31,**		
	2024	**2023**	**2022**
Total Equity (I)	**2,330.32**	**1,805.12**	**1,450.95**
Restated Profit for the year (II)	456.34	328.92	163.13
Less/(Add) Non Controlling Interest (III)	(2.25)	(12.00)	(37.47)
Restated Profit for the year (Excluding Non Controlling Interest) (IV)	**458.59**	**340.92**	**200.60**
Return on Equity (V = IV/I)	**19.68%**	**18.89%**	**13.83%**

Reconciliation of Total Equity to Capital Employed, Restated Profit for the year to EBIT and Return on Capital Employed:

(in ₹ million, unless stated otherwise)

Particulars	**Year ended March 31,**		
	2024	**2023**	**2022**
Total Equity (I)	2,330.32	1,805.12	1,450.95
Non Controlling Interest (II)	-	(9.64)	2.65
Non-current Borrowings (III)	438.83	892.70	663.52
Current Borrowings (IV)	1,609.59	594.78	332.31
Capital Employed (V = I + II + III + IV)	**4,378.74**	**3,282.96**	**2,449.43**
Restated Profit for the year (VI)	**456.34**	**328.92**	**163.13**
Adjustments:			
Add: Total tax expense (VII)	152.50	125.92	66.73
Add: Finance costs (VIII)	230.58	191.79	189.61
Earnings Before Interest and Tax (EBIT) (IX = VI + VII + VIII)	**839.42**	**646.63**	**419.47**
Return on Capital Employed (X = IX/V)	**19.17%**	**19.70%**	**17.13%**

Reconciliation of Total Borrowings to Net Debt, Net Debt to EBITDA and Net Debt to Equity:

(in ₹ million, unless stated otherwise)

Particulars	Year ended March 31,		
	2024	2023	2022
Non-current Borrowings (I)	438.83	892.70	663.52
Current Borrowings (II)	1,609.59	594.78	332.31
Total Borrowings (III = I + II)	**2,048.42**	**1,487.48**	**995.83**
Adjustments:			
Less: Cash and bank balances (IV)	734.41	981.99	514.35
Less: Bank balances other than above (V)	257.91	274.09	410.20
Net Debt (VI = III - IV - V)	**1,056.10**	**231.40**	**71.28**
Restated Profit for the year (VII)	**456.34**	**328.92**	**163.13**
Adjustments:			
Less: Other income (VIII)	132.00	85.34	106.98
Add: Total tax expense (IX)	152.50	125.92	66.73
Add: Finance costs (X)	230.58	191.79	189.61
Add: Depreciation and amortization expenses (XI)	88.80	103.01	105.85
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (XII = VII - VIII + IX + X + XI)	**796.22**	**664.30**	**418.34**
Net Debt to EBITDA (XIII = VI/XII)	**1.33**	**0.35**	**0.17**
Total Equity (XIV)	2,330.32	1,805.12	1,450.95
Non controlling interest (XV)	-	(9.64)	2.65
Total Equity (Including Non controlling interest) (XVI)	**2,330.32**	**1,795.48**	**1,453.60**
Net Debt to Equity (XVII = VI/XVI)	**0.45**	**0.13**	**0.05**

Reconciliation of Revenue from Operations to Net Fixed Assets Turnover Ratio:

(in ₹ million, unless stated otherwise)

Particulars	Year ended March 31,		
	2024	2023	2022
Revenue from Operations (I)	**7,950.60**	**8,804.70**	**6,882.25**
Property, plant and equipment (II)	755.33	743.29	649.28
Capital work-in-progress (III)	662.26	18.57	18.07
Intangible assets (IV)	11.37	33.17	43.91
Right to use assets (V)	5.36	11.98	15.34
Total Net Fixed Assets (VI = II + III + IV + V)	**1,434.32**	**807.01**	**726.60**
Net Fixed Assets Turnover Ratio (VII = I/VI)	**5.54**	**10.91**	**9.47**

Reconciliation of Net Asset Value (per Equity Share)

(in ₹ million, unless stated otherwise)

Particulars	Year ended March 31,		
	2024	2023	2022
Total Equity (Excluding non-controlling interest) (I)	**2,330.32**	**1,805.12**	**1,450.95**
Number of equity shares outstanding at the end of the year (II)	5,00,00,000	5,00,00,000	5,00,00,000
Net asset value per equity share (III) = (I/II) (₹ per equity share)	**46.61**	**36.10**	**29.02**

FINANCIAL INDEBTEDNESS

As of August 31, 2024 we had total borrowings of ₹ 3,859.68 million. Our Net Debt to Equity ratio was 0.45x as of March 31, 2024. For further information on our indebtedness, see "*Financial Indebtedness*" on page 379.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2024, March 31, 2023 and March 31, 2022:

Borrowings

(in ₹ million, unless stated otherwise)

Non-current borrowings	Non-current portion			Current maturities		
Particulars	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2024**	**As at 31 March 2023**	**As at 31 March 2022**
Secured						
Vehicle loans - from Banks	27.93	11.48	11.29	16.26	11.77	11.43
Term loans - from Banks	400.00	-	-	-	-	-
Unsecured						
Loans from Related parties	10.90	881.22	652.23	-	-	-
Term Loans - from Banks	-	-	-	-	3.20	3.45
	438.83	**892.70**	**663.52**	**16.26**	**14.97**	**14.88**
Less: current maturities of long term debts disclosed under 'current borrowings'	-	-	-	(16.26)	(14.97)	(14.88)
Total non-current borrowings	**438.83**	**892.70**	**663.52**	**-**	**-**	**-**

Current borrowings

(in ₹ million, unless stated otherwise)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured			
Working Capital loan from Banks	569.20	187.64	71.39
Buyer's Credit	1,024.13	379.26	241.23
Current Maturities of long term debt	16.26	14.97	14.88
Unsecured			
Loan from Related Parties	-	12.91	4.81
Total	**1,609.59**	**594.78**	**332.31**

CONTINGENT LIABILITIES, , CAPITAL COMMITMENTS, AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2024, March 31, 2023 and March 31, 2022 our contingent liabilities and capital commitments as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for, were as follows:

(in ₹ million, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Contingent liability:			
Outstanding Bank Guarantees*	1,123.82	820.17	452.65
Total Contingent Liabilities	**1,123.82**	**820.17**	**452.65**
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	61.20	46.48	7.73
Total capital commitments	**61.20**	**46.48**	**7.73**

* *Bank Guarantees consists on Advance Bank Guarantees (ABG) and Perfomance Bank Guarantees (PBG) issued by the bank on behalf of the Company in favour of its customers. The Advance Bank guarantees are issued when we are securing our advance against the order. The same is cancelled when prorata supply is made. Performance bank guarantees are issued to secure the performance against the job and it is normally issued at the end of the project against satisfactory performance and normally has a validity for a year.*

For further information on our contingent liabilities and capital commitment as at March 31, 2024, March 31, 2023, March 31, 2022 as per Ind AS 37, see "*Financial Information*" on page 280.

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2024, March 31, 2023 and March 31, 2022 aggregated by type of contractual obligation:

(*in ₹ million*)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2024				
Financial Liabilities				
Borrowings	2,048.42	1,609.59	438.83	2,048.42
Trade Payables	933.14	927.35	5.79	933.14
Other Financial Liabilities	124.49	124.49	-	124.49
Total	**3,106.05**	**2,661.43**	**444.62**	**3,106.05**
As at March 31, 2023				
Financial Liabilities				
Borrowings	1,487.48	594.78	892.70	1,487.48
Trade Payables	1,341.16	1,339.68	1.48	1,341.16
Other Financial Liabilities	104.76	104.76	-	104.76
Total	**2,933.40**	**2,039.22**	**894.18**	**2,933.40**
As at March 31, 2022				
Financial Liabilities				
Borrowings	995.83	332.31	663.52	995.83
Trade Payables	2,017.30	2,016.66	0.64	2,017.30
Other Financial Liabilities	81.49	81.49	-	81.49
Total	**3,094.62**	**2,430.46**	**664.16**	**3,094.62**

CAPITAL EXPENDITURES

In Fiscal 2024, Fiscal 2023 and Fiscal 2022, our capital expenditure towards additions to property, plant and equipment were ₹ 780.79 million, ₹ 181.96 million and ₹ 77.83 million respectively.

Particulars	Land	Leasehold Land	Factory Building	Plant & Equipment	Electrical Installation	Furniture & Fixtures	Computer	Office Equipments	Vehicles	Motor Buses	Total	Capital work in Progress
Deemed cost (gross carrying amount)												
Balance As at 1 April 2021	**31.44**	**-**	**368.09**	**884.40**	**44.08**	**37.25**	**47.89**	**23.62**	**101.55**	**15.04**	**1,553.36**	**39.50**
Additions	-	-	45.17	15.33	1.20	0.85	2.66	2.46	23.64	6.86	98.17	2.24
Disposal/Adjustment	-	-	-	3.26	0.03	-	-	-	4.66	-	7.95	23.67
Balance As at 31 March 2022	**31.44**	**-**	**413.26**	**896.47**	**45.25**	**38.10**	**50.55**	**26.08**	**120.53**	**21.90**	**1,643.58**	**18.07**
Additions	2.83	119.68	1.77	30.05	0.35	0.62	2.34	1.96	19.97	-	179.57	0.50
Disposal/Adjustment	-	-	-	-	-	-	-	-	8.64	1.01	9.65	-
Balance As at 31 March 2023	**34.27**	**119.68**	**415.03**	**926.52**	**45.60**	**38.72**	**52.89**	**28.04**	**131.86**	**20.89**	**1,813.50**	**18.57**
Additions	4.36	-	-	39.55	17.48	0.18	4.77	7.47	52.23	-	126.04	654.50
Disposal/Adjustment	2.87	-	50.54	14.99	2.06	8.24	8.07	3.44	24.57	-	114.78	10.81
Balance As at 31 March 2024	**35.76**	**119.68**	**364.49**	**951.08**	**61.02**	**30.66**	**49.59**	**32.07**	**159.52**	**20.89**	**1,824.76**	**662.26**
Accumulated depreciation												
Balance as at 1 April 2021	**-**	**-**	**129.19**	**594.32**	**36.84**	**25.34**	**39.23**	**17.37**	**68.83**	**4.46**	**915.58**	**-**
Charge for the year	-	-	14.13	48.46	1.22	2.24	5.39	1.95	9.08	1.84	84.31	-
Disposal/Adjustment	-	-	-	3.05	-	-	-	-	2.54	-	5.59	-
Balance As at 31 March 2022	**-**	**-**	**143.32**	**639.73**	**38.06**	**27.58**	**44.62**	**19.32**	**75.37**	**6.30**	**994.30**	**-**
Charge for the year	-	-	14.51	48.15	1.15	2.07	3.01	2.86	9.35	2.62	83.72	-
Disposal/ Adjustment	-	-	-	-	-	-	-	-	6.85	0.96	7.81	-
Balance As at 31 March 2023	**-**	**-**	**157.83**	**687.88**	**39.21**	**29.65**	**47.63**	**22.18**	**77.87**	**7.96**	**1,070.21**	**-**
Charge for the year	-	-	11.89	38.14	1.78	1.24	2.69	4.00	11.13	2.55	73.42	-
Disposal/ Adjustment	-	-	21.68	12.97	1.64	6.25	6.95	3.12	21.59	-	74.20	-
Balance As at 31 March 2024	**-**	**-**	**148.04**	**713.05**	**39.35**	**24.64**	**43.37**	**23.06**	**67.41**	**10.51**	**1,069.43**	**-**
Net Block												
Balance as at 31 March 2022	**31.44**	**-**	**269.94**	**256.74**	**7.19**	**10.52**	**5.93**	**6.76**	**45.16**	**15.60**	**649.28**	**18.07**
Balance as at 31 March 2023	**34.27**	**119.68**	**257.20**	**238.64**	**6.39**	**9.07**	**5.26**	**5.86**	**53.99**	**12.93**	**743.29**	**18.57**
Balance As at 31 March 2024	**35.76**	**119.68**	**216.45**	**238.03**	**21.67**	**6.02**	**6.22**	**9.01**	**92.11**	**10.38**	**755.33**	**662.26**

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include sale of goods, expenses paid, expenses recovered, interest on loan paid, purchase of goods, unsecured loan taken and unsecured loans repaid. For further information relating to our related party transactions, see "*Other Financial Information – Related Party Transactions*" on page 346.

In Fiscal 2024, Fiscal 2023 and Fiscal 2022, the arithmetical aggregated absolute total of such related party transactions post Company eliminations was ₹ 5,470.35 million, ₹ 7,338.10 million and ₹ 5,856.69 million, respectively. The percentage of the arithmetical aggregated absolute total of such related party transactions to our revenue from operations in Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 68.80%, 83.34% and 85.10%, respectively.

AUDITOR'S OBSERVATIONS

There are no auditor qualifications that have not been given effect to in the Restated Consolidated Financial Statements.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks that are related to the normal course of our operations such as interest rate, liquidity risk, foreign exchange risk and reputational risk, which may affect economic growth in India and the value of our financial liabilities, our cash flows and our results of operations.

Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company is exposed to credit risk primarily from trade receivables, loans and other financial assets including deposits with banks. The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In order to contain the business risk, prior to acceptance of an order from a customer, the creditworthiness of the customer is ensured through scrutiny of its financials, if required, market reports and reference checks. The Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to limit risks of delays and default. Further, in most of the cases, the Company normally allow credit period of 0-90 days to all customers which vary from customer to customer.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly to close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

Market Risk

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings availed by the Company are subject to interest on fixed rates as these are taken only for the purpose to finance the business and such borrowings are repayable on demand. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. For further information, see "*Financial Indebtedness*" on page 379.

Inflation Risk

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 347 and 29, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 188 and 347 respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus in the sections "*Our Business*" on page 188, we have not announced and do not expect to announce in the near future any new products or business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment and expect to continue to compete with existing and potential competitors. See "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 29, 140 and 188, respectively, for further details on competitive conditions that we face across our various business segments.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

We have in the past derived a significant portion of our revenue from a limited number of customer groups and may derive a significant portion of our revenue from such customers. For details, see "*Risk Factors- We derive a significant portion of our revenues from few customers and repeat orders which we identify as orders placed by customer groups that have placed orders with our Company previously. Any loss of, or a significant reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows"* on page 33.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our PEB and Self-Supported Roofing business is seasonal in nature. For details, see "*Risk Factors- Our financial results may be subject to seasonal variations and cyclical nature of the* industry".

MATERIAL DEVELOPMENTS AFTER MARCH 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

There have been no significant developments after March 31, 2024, the date of the last financial statements contained in this Draft Red Herring Prospectus, to the date of filing of this Draft Red Herring Prospectus, which materially and adversely affects, or is likely to affect, our trading or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets out our Company's capitalization as at March 31, 2024, as derived from our Restated Consolidated Financial Statements. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Risk Factors*" beginning on pages 347, 280 and 29, respectively.

Particulars	Pre-Offer as at March 31, 2024	As adjusted for the proposed Offer*
Current borrowings**	1,609.59	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings) **	438.83	[●]
Total Borrowings (A)	**2,048.42**	[●]
Equity share capital**	500.00	[●]
Other Equity**	1,830.32	[●]
Total Equity (B)	**2,330.32**	[●]
Total Capital	**4,378.74**	**[●]**
Ratio: Non-current borrowings / Total Equity	0.19	[●]
Ratio: Total Borrowings / Total equity	0.88	[●]

* *Post-Offer capitalisation will be determined after finalization of the Offer Price.*

** *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

FINANCIAL INDEBTEDNESS

Our Company and its Subsidiaries avail credit facilities in the ordinary course of business. For details regarding the borrowing powers of our Board, see "*Our Management - Borrowing Powers of our Board*" on page 251.

Set out below is a brief summary of the aggregate borrowings by our Company and its Subsidiaries as of August 31, 2024 on a consolidated basis:

(₹ in million)

Category of borrowing	Sanctioned amount	Outstanding amount as on August 31, 2024
Secured-Consortium		
Working capital facilities		
Fund based	600.00	2.04
Non-fund based	3,300.00	3,148.91
Term loans	600.00	600.00
Sub-total (A)	**4,500.00**	**3,750.95**
Secured-outside Consortium		
Working capital facilities		
Fund based	-	-
Non-fund based	200.00	66.03
Sub-total (B)	**200.00**	**66.03**
FD OD (C)	50.00	**42.71**
Total borrowings* (D=A+B+C)	**4,750.00**	**3,859.69**

**Excludes vehicle loans*
As certified by Talati & Talati LLP, Statutory Auditor, pursuant to their certificate dated September 23, 2024.

Principal terms of the facilities sanctioned to our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. **Interest**: Our financing arrangements typically have floating rates of interest linked to a base, as specified by respective lenders, from time to time.

2. **Penal Interest**: The terms of certain of our borrowings prescribe penalties for non-compliance of certain obligations by us, inter alia, delay in the repayment of principal instalment, interest, charges or other monies due on the facility, non-submission of annual financial statements and other irregularities as specified in the terms of sanction. The default interest payable on our borrowings typically ranges from 0.25% to 2% per annum. Additional interest as specified by the lenders may be charged in case of continuation of the non-compliance beyond a certain period.

3. **Pre-payment penalty**: The terms of the borrowings availed by us typically have pre-payment provisions, which allow for pre-payment of the outstanding amount on giving notice to the concerned lender, the payment of prepayment penalty in accordance with the relevant financing arrangement mutually agreed from time to time.

4. **Validity/Tenor**: The working capital facilities availed by us are typically available for a period of 12 months, subject to periodic review by the relevant lender. The tenor of the term loans availed by us typically range from 5 years to 8 years.

5. **Security**: In terms of our secured borrowings, we are required to inter alia:

    a. First Pari Passu Charge for Working Capital Fund Based and Non-Fund Based facilities on immovable property, Current asset and Movable Fixed assets of the Company except fixed assets for Cheyyar plant Chennai

    b. First Parri Passu Charge for Term Loans on immovable property and Movable Fixed assets of the Cheyyar Plant of the Company.

    c. Equitable mortgage on immovable property i.e.F-903, Tulip Sitadel, Ahmedabad and Property at 403-A & 403-B "Shikhar Building", Survey no. 104, Village-Khoda, Sanand, Survey No. 435/2, Village - Moraiya - All properties owned by Group Concerns

    d. Personnel Guarantee of Directors namely Chirag Hasmukhbhai Patel, Malav Girishbhai Patel, Girishbhai Manibhai Patel and Vipinbhai Kantilal Patel

Please note that the abovementioned list is indicative and there may be additional securities created under various borrowing arrangements by us.

6. **Repayment:** The working capital facilities are typically repayable on demand or on their respective due dates within the maximum tenure. The term loans are typically repayable in structured instalments**.**

7. **Key Covenants:** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before undertaking such corporate actions, such as following:

   (a) effecting any change in the constitution/composition of the Company or permitting any transfer of controlling interest or effecting any change in the management set-up;

   (b) effecting any change in our ownership or capital structure where the shareholding of the existing promoter and promoter group gets diluted below certain specified levels or leads to dilution in controlling stake;

   (c) making any amendments in the Memorandum of Association or Articles of Association;

   (d) sell, assign, mortgage or otherwise dispose of any assets charged by the lender;

   (e) formulate any scheme of amalgamation or reconstruction or effecting any mergers and acquisitions;

   (f) failure to pay any amount due and payable to lender, including instalments, servicing of interest on the facilities availed by the Company;

   (g) declare dividends for any year except out of profits relating to that year;

   (h) invest by way of share capital in or lend or advance fund to or place deposits with other concern, including group concerns, with the exception of normal trade credit or security deposit in the ordinary course of business or advances to employees;

   (i) undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other company, including group companies.

8. **Events of default**: The borrowing arrangements entered into by us, contain standard events of default, including:

   (a) default in payment of interest, other charges or instalment amount due or repayment of principal amounts;

   (b) non-compliance with ownership, financial, performance and/or security covenants;

   (c) any change of ownership, control and/or management of the Company;

   (d) material adverse change affecting the business or financial position of the Company;

   (e) utilisation of the facilities or any part thereof for purposes other than as sanctioned by the lender;

   (f) any security furnished to secure obligations or liabilities of the Company to the lender is or becomes invalid or unenforceable;

   (g) cessation of business or threat of cessation of business of the Company;

   (h) expropriation, nationalisation or compulsory acquisition by authority of government;

   (i) initiation of winding-up or liquidation proceedings of the Company; and

   (j) cross defaults across other facilities of the Company or its affiliates or associated companies.

   This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

9. **Consequences of occurrence of events of default**: Upon the occurrence of events of default, our lenders may:

   (a) Accelerate the maturity of facility and declare all amounts outstanding in respect of facility due and payable immediately;

   (b) Recall advance and take any recovery action;

(c) Convert whole or part of the outstanding loan obligations into fully paid-up Equity Shares;

(d) Enforce security or change any of the terms of sanction;

(e) Impose penal interest on the principal amount; and

(f) Appoint a nominee director on board of the Company.

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see *"Risk Factors - Restrictions imposed in the secured credit facilities and our other outstanding indebtedness may limit our ability to operate our business and to finance our future operations or capital needs."*

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings (including first information reports) involving our Company, its Subsidiaries, its Directors or Promoters; (ii) actions by any regulatory authorities and statutory authorities (including any notices by such authorities) against our Company, its Subsidiaries, its Directors or Promoters; (iii) consolidated disclosure of all outstanding claims related to direct and indirect taxes, giving the number of cases and total amount. Provided that if the amount involved in any such claims exceeds the materiality threshold, such matter(s) shall be disclosed on an individual basis; and (iv) for all outstanding civil/ arbitration proceedings and other pending litigations involving our Company, Directors, Promoters or Subsidiaries (other than proceedings covered under (i) to (iii) above) as determined to be material by our Board pursuant to the policy on materiality ("**Materiality Policy**") approved by the Board of Directors, in each case involving our Company, Subsidiaries, Promoters and Directors ("**Relevant Parties**").*

Further, except disclosed in this section, there are (i) no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against our Promoters in the last five Fiscals including any outstanding action.

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation in relation to the Relevant Parties to be disclosed in this Draft Red Herring Prospectus pursuant to the Board resolution dated September 23, 2024:

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings involving the Relevant Parties, other than (I) all outstanding criminal proceedings (including matters which are at an FIR stage even if no cognizance has been taken by any court); (II) all actions (including all penalties and show cause notices) by statutory and/ or regulatory authorities; and (III) all outstanding taxation proceedings, would be considered 'material' if (i) the monetary amount involved in such a proceeding exceeds, the lower of (a) 2% of the turnover of the Company as per the Restated Consolidated Financial Statements for the preceding financial year; or (b) 2% of the net worth of the Company as per the Restated Consolidated Financial Statements as at the end of the preceding financial year; or (c) 5% of the average of the absolute value of the profit/loss after tax as per the Restated Consolidated Financial Statements of the preceding three financial years disclosed in the relevant Offer Documents; (ii) the monetary liability is not quantifiable and does not fulfil the threshold specified in (i) above, but the outcome of any such pending proceedings may have a material adverse effect on the business, operations, result of operations, prospects, financial position or reputation of our Company, as determined by our Company.

For determining the threshold as per (i) above, 2% of turnover, as per the Restated Consolidated Financial Statements for Fiscal 2024 is ₹159.01 million, 2% of net worth, as per the Restated Consolidated Financial Statements as at March 31, 2024 is ₹46.61 million and 5% of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Statements for the last three Fiscals is ₹15.81 million. Accordingly, ₹15.81 million has been considered as the materiality threshold for the purpose of (i) above.

Subjective threshold: under this test, such pending matters involving our Company and its Subsidiaries, whose outcome may have a material impact, in the opinion of the Board, on the business, performance, financial position, cash flows, prospects, reputation, operations or any adverse impact on the Company, irrespective of their monetary quantum, will necessitate disclosure. This may include any writ petitions filed involving the Company or similar matters which may have a material impact on the business of the Company and all outstanding civil litigation against the Promoters and Directors of the Company where an adverse outcome would materially and adversely affect the business, prospects, cash flows, performance, operations or financial position or reputation of the Company (irrespective of the amount involved in such litigation), would be considered as material for the Company.

Pre-litigation notices received (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial, taxation authorities or notices threatening criminal action) by our Company, our Subsidiaries, Directors or Promoters from third parties shall not be considered as litigation unless otherwise decided by the Board or until such time that any of our Company, our Subsidiaries, Directors or Promoters, as the case may be, is impleaded as a party in proceedings initiated before any court, arbitrator, tribunal, judicial forum or governmental authority.

*For identification of material creditors, creditors of the Company (except banks and financial institutions from whom our Company has availed financing facilities) to whom an amount having a monetary value which exceeds 5 % of the total trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements of the Company is outstanding, shall be considered as 'material'. Accordingly, creditors of our Company to whom our Company owes an amount exceeding ₹46.66 million are considered material ("**Material Creditor**"), including the consolidated number of creditors and the aggregate amount involved.*

I. Litigation involving our Company

A. Litigation filed by our Company

Material civil litigation

1. Our Company has initiated an arbitration proceeding against Mazagon Dock Shipbuilders Ltd. (*formerly known as Mazagon Dock Limited*) ("**MDL**") before the sole arbitrator, at Mumbai. MDL had invited bids for design, supply and errection of pre-engineered steel building for submarine section assembly workshop. Our Company submitted a bid through our division "Phenix Infra". The bid was accepted and a purchase order dated April 23, 2012 for ₹ 493.35 million was issued in our Company's favour. On May 11, 2012, our Company requested MDL for revision of order value by ₹ 7.54 million due to increase in excise duty and service tax rates under the central budget. On March 28, 2014, our Company again requested MDL to compensate for increased statutory levies paid and the increase in order value requested went from ₹ 7.54 million to ₹ 8.81 million. On April 7, 2014, MDL refused to increase the order value. Thereafter, vide a letter dated May 18, 2018 to our Company, MDL claimed recoveries of ₹ 12.52 million ("**Recovery Amount**") on the basis that the total weight of steel was less than what was indicated in the bid and that the experience against the minimum requirement of 25 years was not complied with. On June 12, 2018, MDL vide a letter provided a detailed calculation of the Recovery Amount and asked the letter to be treated as a notice. Our Company raised a claim of ₹ 78.49 million on August 4, 2023 before the sole arbitrator at Mumbai, against which a statement of defense was filed by MDL on September 22, 2023, along with subsequent submissions by both parties. The matter is currently pending.

2. Our Company has filed a suit for permanent and perpetual injunction restraining the infringement of trademark against Mercury Enterprise (the "**Defendant**") before the Hon'ble Commercial Court of Anand, at Anand ("**Commercial Court**"). It is submitted that the Defendant has been using the registered trademark of our Company, "Proflex", and therefore relying on our product will and reputation to sell its own products. Further, the Defendant has also created a similar domain name as that of our Company in relation to "Proflex". Our Company has also filed an application for ad-interim injunction before the Commercial Court. The matter is currently pending. In addition to the above we have issued multiple notices to the entities/ individuals who have trespassed our trademark Proflex. The Commercial Court rejected the application on June 11, 2024. Consequently, our Company filed a suit for permanent and perpetual injunction retraining the infringement of trademark before the City Civil Court of Ahmedabad ("**Ahmedabad Court**") dated July 18, 2024. The Ahmedabad Court has passed an order for disposing the suit basis the settlement arrived at between parties. The matter is currently pending.

3. Our Company (*on behalf of its Phenix division*) and our Subsidiary, Phenix Building Solutions Private Limited ("**PBSPL**"), as the operational creditors, have filed applications dated January 30, 2024, to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016, against Mascot Suryapur LLP, the corporate debtor ("**Mascot**") before the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**"). Mascot engaged the services of our Company and PBSPL, for setting up a pre-engineered building at Mascot Industrial Park in Surat. However, despite Mascot issuing a completion certificate dated March 15, 2023, there are outstanding dues of ₹7.22 million to PBSPL, for supply of prefabricated building and ₹9.22 million to our Company, for erection of prefabricated building. Our Company and PBSPL have raised invoices and issued various letters to clear the outstanding dues. Subsequently, our Company has issued a demand notice dated December 30, 2023 for ₹11.76 million (including interest of ₹2.54 million) to Mascot, while PBSPL has issued a demand notice date December 30, 2023 for ₹10.54 million, in respect of the unpaid dues. On February 14, 2024, NCLT passed an order to dismiss the petition filed by PBSPL since the statutory demand notice issued under Section 8 of the Insolvency and Bankruptcy Code, 2016 was not served on Mascot. Additionally, on May 3, 2024, the NCLT division bench dismissed PBSPL's restoration application to maintain our application. On June 28, 2024, the NCLT passed an order to dismiss the petition filed by our Company, (together with the NCLT orders dated February 14, 2024, and May 3, 2024, the "**NCLT Orders**"). Our Company and our Subsidiary, Phenix Building Solutions Private Limited, have filed appeals before the National Company Law Appellate Tribunal, New Delhi, to set aside the NCLT Orders. The matter is currently pending.

Criminal proceedings

1. Nil

B. Litigation filed against our Company

Material civil litigation

1. Nil

Criminal proceedings

1. Nil

Material tax litigation

1. Nil

Actions by regulatory and statutory authorities

1. Nil

II. Litigation involving our Subsidiaries

A. Litigation filed by our Subsidiaries

Material civil litigation

1. Our Subsidiary, Phenix Building Solutions Private Limited ("**PBSPL**"), as the operational creditor, has filed an application dated July 21, 2023 ("**Application**") to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 (the "**Code**"), against Rajgreen Amusement Park Pvt. Ltd., the corporate debtor ("**Rajgreen**") before the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**"). Rajgreen engaged the services of our Company and PBSPL, for design, manufacturing, supply and construction/ erection of an amusement park at Surat. PBSPL entered into an agreement with Rajgreen dated April 17, 2018 for the total quantity supply of 1,414 MT. However, despite supply of materials by PBSPL and issue of various invoices, there were outstanding dues of ₹67.90 million by Rajgreen. Thereafter, PBSPL issued a demand notice dated January 18, 2021 under the provisions of Section 8 of the Code. Before the pronouncement of the order for the Application, to explore the possibility of settlement, consent terms dated November 18, 2021 were executed between PBSPL and Rajgreen, wherein Rajgreen agreed to pay a sum of ₹49.35 million including interest until April 2022, which was also breached by Rajgreen. PBSPL filed an interlocutory application, during the pendency of which Rajgreen paid ₹7.5 million and issued a few post-dated cheques. In view of the aforesaid part payment and the post-dated cheques, PBSPL withdrew the interlocutory application. However, subsequent to failure to abide by the Consent Terms and dishonor of the cheques against the balance payment, PBSPL has issued a demand notice dated May 10, 2023 for ₹30.85 million to Rajgreen for unpaid dues. The matter is currently pending.

2. Our Subsidiary, Phenix Building Solutions Private Limited ("**PBSPL**"), filed an application against M/S Gallops Infrastructure Limited ("**Gallops**") for recovery of delayed payments amounting to ₹22.71 million under section 18(1) of the Micro, Small and Medium Enterprises Development Act, 2006, before the Micro & Small Enterprises Facilitation Council, Gandhinagar, Gujarat (the "**Council**"). Subsequently, the Council issued an order dated March 28, 2023 directing arbitration before the Gujarat Chamber of Commerce and Industry, Arbitration - Mediation - Conciliation & Alternate Dispute Resolution Centre ("**GCCI-ADRC**"), under the Arbitration and Conciliation Act, 1996. However, on February 28, 2024, PBSPL filed a request letter before the Council to reconsider the decision to conduct arbitration considering the peculiar facts and circumstances of the dispute and looking at the high cost involved in GCCI-ADRC. The matter is currently pending.

3. Phenix Building Solutions Private Limited ("**PBSPL**"), as the operational creditors, have filed applications dated January 30, 2024 to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016, against Mascot Suryapur LLP, the corporate debtor ("**Mascot**") before the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**"). For further details, please see "*Litigation Involving our Company – Litigation filed by our Company – Material Civil Proceedings*" on page 382.

Criminal proceedings

1. Our subsidiary, Phenix Building Solutions Private Limited ("**PBSPL**"), has filed a complaint against Rajgreen Amusement Park Private Limited ("**Rajgreen**") and others before the Hon'ble Additional Meteropolitan Magistrate, Ahmedabad ("**Magistrate**"), under section 138 of the Negotiable Instruments Act, 1881 for an outstanding sum of ₹3.04 million. An application has also been filed by PBSPL on February 13, 2024 before the Magistrate seeking interim compensation of 20% of the amount under section 143-A of the Negotiable Instruments Act, 1881.

B. Litigation filed against our Subsidiaries

Material civil litigation

1. Tirath Buildwell LLP ("**Tirath**") has filed a suit for recovery under Section 2 of the Commercial Courts Act, 2015 against our Subsidiary, Phenix Building Solutions Private Limited ("**PBSPL**") and certain employees before the Learned Civil Judge, Commercial Court, Sonepat. Tirath had entered into a pre-engineered building contract with PBSPL on August 30, 2020. Tirath has alleged that PBSPL used 1,126,900 kg of actual tonnage instead of 1,145,000 kg and charged an additional ₹1.96 million and returned only ₹0.05 million when an objection was raised by Tirath. Further, Tirath has alleged that PBSPL cheated Tirath by using cheaper quality material. Tirath has raised a claim of ₹22.80 million, along with an interest rate of 24% per annum, against PBSPL. Tarun Vijay, the general manager of PBSPL, received notices from the Office of Economic Cell and has submitted responses to such notices. The matter is currently pending.

Criminal proceedings

1. Nil

Actions by regulatory and statutory authorities

1. Nil

III. Litigation involving our Directors

A. Litigation filed by our Directors

Material civil litigation

1. Nil

Criminal proceedings

1. Nil

B. Litigation filed against our Directors

Material civil litigation

1. Nil

Criminal proceedings

1. Nil

Actions by regulatory and statutory authorities

1. Nil

IV. Litigation involving our Promoters

A. Litigation filed by our Promoters

Material civil litigation

1. Nil

Criminal proceedings

1. Nil

B. Litigation filed against our Promoters

Material civil litigation

1. Nil

Criminal proceedings

1. Nil

Actions by regulatory and statutory authorities

1. Nil

Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals

1. Nil

V. Tax proceedings involving our Company, Subsidiaries, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Subsidiaries, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of proceedings	Number of proceedings	Amount involved* (*in ₹ million*)
Direct Tax		
Company	7	224.85
Promoters (including the Promoter Directors)	Nil	Nil
Directors (Non-Promoter Directors)	13	34.32
Subsidiaries	Nil	Nil
Indirect Tax		
Company	23	678.07
Promoters (including the Promoter Directors)	1	6.24
Directors (Non-Promoter Directors)	Nil	Nil
Subsidiaries	3	34.00

* *to the extent quantifiable*

VI. Litigation involving our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving our Group Companies which will have a material impact on our Company.

VII. Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company exceeds 5% of the total trade payables (i.e., 5.00% of ₹933.14 million which is ₹46.66 million) of our Company as per the Restated Consolidated Financial Statements have been considered as Material Creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to Material Creditors, MSME creditors and other creditors of our Company based on such determination, as on March 31, 2024, are disclosed below:

Type of creditors*	Number of creditors	Amount involved (*in ₹ million*)
Dues to Micro, Small and Medium Enterprises	45	26.12
Dues to a Material Creditor(s)	6	544.16
Dues to other creditors	437	362.86
Total	**488**	**933.14**

* *As certified by Talati & Talati LLP, Chartered Accountants, by way of their certificate dated September 23, 2024*

The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at www.mbel.in.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

VIII. Material Developments since the last balance sheet date

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 347, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations, and permits issued by relevant governmental, statutory, and regulatory authorities of the respective jurisdictions under various rules and regulations. We have set out below an indicative list of material consents, licenses, permissions, registrations, and approvals from the Government of India, various governmental agencies and other statutory and/or regulatory authorities obtained by our Company and Material Subsidiary which are considered necessary for the purpose of undertaking our business activities and other than as stated below, no further material approvals from any regulatory or statutory authority are required to undertake the Offer or continue such business and operations. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company and Material Subsidiary has either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company and Material Subsidiary, we have disclosed below the material approvals applied for but not received. We have also set out below (i) material approvals that have expired and for which renewal applications have been made by our Company and Material Subsidiary (ii) material approvals applied for by our Company and Material Subsidiary but not received; and (iii) material approvals required but yet to be obtained or applied for by our Company and Material Subsidiary.

For further details in connection with the regulatory and legal framework within which we operate, see the section titled "Key Regulations and Policies in India" on page 229. For details of corporate and other approvals in relation to the Offer, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 395 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 235.

I. Incorporation details of our Company and Phenix Building Solutions Private Limited

(i) Certificate of incorporation dated June 16, 1981, issued by the RoC under the name of 'Manibhai and Brothers (Construction) Private Limited'.

(ii) Fresh certificate of incorporation dated November 22, 2006, issued by the RoC, consequent upon change in name from 'Manibhai and Brothers (Construction) Private Limited' to 'M&B Engineering Private Limited'.

(iii) Fresh certificate of incorporation dated March 30, 2011, pursuant to conversion into a public limited company issued by the RoC, consequent upon change in name from 'M&B Engineering Private Limited' to 'M&B Engineering Limited'.

(iv) The corporate identity number ("**CIN**") of our Company is U45200GJ1981PLC004437.

(v) Certificate of incorporation of our Material Subsidiary dated November 2, 2007, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

(vi) The CIN of our Material Subsidiary is U45201GJ2007PTC052112.

A. Tax related approvals obtained by our Company and Material Subsidiary

(i) The permanent account number ("**PAN**") of our Company is AAACM7930Q and of our Material Subsidiary is AAECP4638G.

(ii) The tax deduction account number ("**TAN**") of our Company is AHMM00926C and of our Material Subsidiary is AHMP05865G.

(iii) The importer exporter code ("**IEC**") of our Company is 0800009631 and of our Material Subsidiary is 0811022757.

(iv) Goods and Services Tax ("**GST**") registrations for payments under various central and state GST legislations.

B. Labour related approvals obtained by our Company and Material Subsidiary

(i) Certificates of registration issued under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended obtained by the Company and our Material Subsidiary.

(ii) Certificates of registration issued under the Employees' State Insurance Act, 1948, as amended obtained by the Company and our Material Subsidiary.

(iii) Certificate of registration as an employer bearing registration number. PRC015170369 issued to M&B Engineering Limited, under the Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976 by the Profession Tax Department, Amdavad Municipal Corporation.

(iv) Certificate of registration as an employer bearing registration number. PEC015171329 issued to M&B Engineering Limited, under the Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976 by the Profession Tax Department, Amdavad Municipal Corporation.

(v) Certificate of registration as an employer bearing registration number. PEC01571331 issued to our Material Subsidiary, under the Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976 by the Profession Tax Department, Amdavad Municipal Corporation.

C. Material approvals obtained in relation to the business and operations of our Company and Material Subsidiary

In order to carry on our operations, our Company requires various approvals, licenses and registrations under several central or state-level acts, rules and regulations. Some of the approvals, licenses and registrations that we are required to obtain and maintain may expire in the ordinary course of business, and applications for renewal of such approvals are submitted by us in accordance with applicable procedures and requirements. The list of the material approvals required by us is provided below.

Our Company:

1. Registration cum membership certificate from EEPC India (Engineering Export Promotion Council) issued on April 19, 2024 obtained by the Company valid till March 31, 2025.

2. Shops and Establishments Registration bearing No. PII/SPST/4000987/0277958 under the Gujarat Shops and Establishment (Regulation of Employment and Conditions of Services) Act, 2019 registered on January 5, 2024.

a) Sanand Facility

1. License to work a factory issued for the Phenix Construction Technologies (A Division) bearing reference number 52/45201/2002 on March 8, 2008 by the Directorate Industrial Safety & Health, Gujarat State under Factories Act, 1948, valid up to December 31, 2024.

2. Consolidated consent and authorization issued by the Gujarat State Pollution Board bearing reference no. AWH-106988 issued on December 2, 2019, valid up to September 30, 2024*.

   **Note that company has already applied for renewal of the same.*

3. Certificate of stability issued on March 22, 2021, by the Director of Industrial Safety & Health of Factories.

4. Registration of generating sets dated February 7, 2012 issued by Collector of Electricity Duty, Gandhinagar, under the Gujarat Electricity Act, 1968 for the generating sets bearing registration nos. 01-1115-001-10872 and 01-1115-002-10873.

5. ISO 14001:2015 issued to the Company's Phenix Construction Technologies (Division A) issued on March 10, 2023 valid till March 9, 2026 issued by Royal Assessments Private Limited, EAGC, International Accreditation Forum.

6. ISO/IEC 17025:2017 certificate of accreditation bearing certificate no. TC-10951 issued by the National Accreditation Board for Testing and Calibration Laboratories to the Company (Phenix Division A) on August 31, 2022 for the "General Requirements for the Competence of Testing & Calibration Laboratories" valid up to August 30, 2026.

7. RDSO certificate for fabrication and supply of steel bridge girder with works issued by the Government of India, Research Designs & Standards Organisation, Ministry of Railways, Lucknow dated March 27, 2024 valid till May 31, 2029.

8. Registration for the Phenix Division of the Company as a vendor with Engineers India Limited, a Government of India undertaking bearing reference no. EIL/ARCH/VL-2023/001 issued on March 21, 2023.

9. Certificate of registration bearing reference no. AHD/2010/CLRA/140/4 issued by Assistant Labour Commissioner, Ahmedabad, Government of Gujarat the dated March 2, 2016

b) Cheyyar Plant

1. Consent for Establishment bearing reference no. 2301152946144 for the Cheyyar Unit issued by the Tamil Nadu Pollution Control Board under the Water (Pollution and Control of Pollution) Act, 1974, as amended dated June 25, 2023, valid up to March 31, 2028

2. Consent for Establishment bearing reference no. 2301252946144 for the Cheyyar Unit issued by the Tamil Nadu Pollution Control Board under the Air (Pollution and Control of Pollution) Act, 1981, as amended dated June 25, 2023, valid up to March 31, 2028.

3. Certificate of registration of the Principal Employer for the Cheyyar Unit issued by the Joint Director (Industrial Safety and Health), Office of Registering Officer, Government of Tamil Nadu under the Tamil Nadu Contract Labour (Regulation and Abolition) Rules, 1975 dated May 22, 2023.

4. Certificate of registration of the Principal Employer for the Cheyyar Unit issued by the Joint Director (Industrial Safety and Health), Office of Registering Officer, Government of Tamil Nadu under the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) (Tamil Nadu) Rules, 1983 dated May 22, 2023.

5. No Objection Certificate & Drawing Approval bearing reference no. S181/2PT, 183/1PT, 182/1BPT for the Cheyyar Unit issued by the Deputy Director of Health Services, Department of Public and Preventive Medicine

6. Registration and license to work a factory obtained by the Company for the Cheyyar Facility bearing reference no. TVM21064 issued on May 29, 2024 by the Directorate of Industrial Safety and Heath, Government of Tamil Nadu, valid till December 31, 2028.

7. Consent to Operate obtained by the Company for the Cheyyar Facility issued on May 23, 2024 by District Environmental Engineer, Tamil Nadu Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981, as amended, valid up to March 31, 2026.

8. Consent to Operate obtained by the Company for the Cheyyar Facility issued on May 23, 2024, by District Environmental Engineer, Tamil Nadu Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, as amended, valid up to March 31, 2026. No Objection Certificate from the Fire Fighting Department, Tiruvannamalai district, obtained by the Company for the Cheyyar Facility issued on June 21, 2024 valid in perpetuity.

9. Approval of land map for construction of factory building bearing registration no. RC.NO.BA3/100/2024 obtained by the Company for Cheyyar Facility issued by the Panchayat Union Commissioner, Tiruvannamalai district dated April 3, 2024.

10. Certificate from the Public Health and Preventive Medicine, Hygiene and Sanitation bearing reference no. 252/E5/2024 issued by the Block Health Supervisor, the district health Office, Cheyyar

11. Approval for storage of liquid argon, liquid oxygen in pressure vessels bearing registration number A/S/SC/TN/03/420 (S111213) issued by the Petroleum & Explosives Safety Organization dated March 7, 2024.

12. Consent for expansion for Establishment bearing no. 2406160354477dated September 13, 2024 for the Cheyyar Unit issued by the Tamil Nadu Pollution Control Board under the Water (Pollution and Control of Pollution) Act, 1974, valid up to March 31, 2029.

13. Consent for expansion for Establishment bearing no. 2406260354477 dated September 13, 2024, for the Cheyyar Unit issued by the Tamil Nadu Pollution Control Board under the Air (Pollution and Control of Pollution) Act, 1981 valid up to March 31, 2029

Our Material Subsidiary

a) Phenix Building Solutions Private Limited

1. Shops and Establishments Registration bearing No. PII/SPST/2900033/0011547 under the Gujarat Shops and Establishment (Regulation of Employment and Conditions of Services) Act, 2019 by the Ahmedabad Municipal Corporation registered on January 7, 2014.

2. Udyam Registration Certificate issued by bearing registration no. UDYAM-GJ-01-0033896 the Ministry of Micro, Small and Medium Enterprises, Government of India dated December 23, 2020.

II. Material approvals that have expired and for which renewal applications have been made:

There are no material approvals that have expired and for which renewal applications have been made as on the date of this Draft Red Herring Prospectus.

III. Material approvals required and applied for but not received by our Company and its Material Subsidiary.

There are no material approvals that have expired and for which renewal applications have been made as on the date of this Draft Red Herring Prospectus, except as disclosed below:

1. Application dated March 7, 2024, for the license issued by Petroleum & Explosives Safety Organisation (PESO), Ministry of Commerce & Industry, Government of India.

2. Application dated August 27, 2024, for the authorisation for treatment of disposal of hazardous and other waste from Tamil Nadu Pollution Control Board.

IV. Material approvals required but yet to be obtained or applied for by our Company and its Material Subsidiary.

There are no material approvals required but yet to be obtained or applied for by our Company and its Material Subsidiary as on the date of this Draft Red Herring Prospectus.

V. Our Intellectual Property

As on the date of this Draft Red Herring Prospectus, the Company has the following trademarks registered:

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class	Date of Expiry
1.	PROFLEX (Wordmark) Trade Mark Type: device	Registered	1098108	April 24, 2002	19	April 24, 2032
2.	PROFLEX Trade Mark Type: device	Registered	2039847	October 19, 2010	36	October 19, 2030
3.	PHENIX Trade Mark Type: device	Registered	2078143	December 30, 2010	6	December 30, 2030
4.	PROFLEX (Wordmark)	Registered	2039848	October 19, 2010	37	October 19, 2030
5.	PHENIX (Wordmark) Trade Mark Type: device	Registered	2078156	December 30, 2010	19	December 30, 2030
6.	PROFLEX SYSTEMS ROOFS & BUILDINGS (Wordmark) Trade Mark	Registered	1477231	August 8, 2006	19	August 8, 2026

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class	Date of Expiry
	Type: device					
7.	PROFLEX (Wordmark) Trade Mark Type: device	Registered	2039830	October 19, 2010	19	October 19, 2030
8.	M&B Trade Mark Type: device	Registered	2175775	July 15, 2011	21	July 15, 2031
9.	M&B Trade Mark Type: device	Registered	2175776	July 15, 2011	35	July 15, 2031
10.	M&B Trade Mark Type: device	Registered	2175778	July 15, 2011	37	July 15, 2031
11.	Phenix Trade Mark Type: device	Registered	2041044	October 20, 2010	6	October 20, 2030
12.	M&B Trade Mark Type: device	Registered	2175769	July 15, 2011	6	July 15, 2031
13.	PROFLEX Trade Mark Type: device	Registered	2039817	October 19, 2010	6	October 19, 2030

Except as stated below, there are no applications made by the Company for any trademark registrations:

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class
1.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temporary reference no: 10817370 Application number: 6485469	June 18, 2024	39
2.	PHENIX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817178 Application number: 6485464	June 18, 2024	25
3.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817198 Application number: 6485465	June 18, 2024	25
4.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817154 Application number: 6485463	June 18, 2024	24
5.	PHENIX	Applied	Reg no. 1822	June 18, 2024	24

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class
	Trade Mark Type: device		Temp ref no: 10817124 Application number: 6485462		
6.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817096 Application number: 6485461	June 18, 2024	20
7.	PHENIX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817078 Application number: 6485460	June 18, 2024	20
8.	PROFLEX Category of Mark: device	Applied	Reg no. 1822 Temp ref no: 10814859 Application number: 6485458	June 18, 2024	12
9.	PHENIX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10814836 Application number: 6485457	June 18, 2024	12
10.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10814935 Application number: 6485459	June 18, 2024	14
11.	PHENIX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10814765 Application number: 6485456	June 18, 2024	11
12.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10817429 Application number: 6485470	June 18, 2024	40
13.	PROFLEX Trade Mark Type: word	Applied	Reg no. 1822 Temp ref no: 10599259 Application number: 6413704	May 2, 2024	19
14.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10910863 Application No. 6521373	July 11, 2024	10
15.	PROFLEX Trade Mark Type: device	Applied	Reg no. 1822 Temp ref no: 10910912 Application number: 6521374	July 11, 2024	11

As on the date of this Draft Red Herring Prospectus, the following trademarks applied by the Company have been opposed:

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class
1.	PHENIX (Wordmark)	Opposed	Application no: 2078176	Application date: December 30, 2010	39
2.	PHENIX (Wordmark) Trade Mark Type: device	Opposed	Application no: 2078173	Application date: December 30, 2010	36
3.	PHENIX (Wordmark) Trade Mark Type: device	Opposed	Application no: 2041052	Application date: October 20, 2010	36
4.	PHENIX (Wordmark) Trade Mark Type: device	Opposed	Application no: 2078160	Application date: December 30, 2010	23
5.	PHENIX (Wordmark)	Opposed	Application no: 2041051	Application date: October 20, 2010	35
6.	PHENIX (Wordmark)	Opposed	Application no: 2078172	Application date: December 30, 2010	35
7.	PHENIX (Wordmark)	Opposed	Application no: 2041053	Application date: October 20, 2010	37
8.	PHENIX (Wordmark)	Opposed	Application no: 2078174	Application date: December 30, 2010	37
9.	PHENIX (Wordmark)	Opposed	Application no: 2041048	Application date: October 20, 2010	19
10.	PHENIX (Wordmark) Trade Mark Type: device	Opposed	Application no: 2078181	Application date: December 30, 2010	44
11.	PROFLEX (Wordmark)	Opposed	Application no: 2039821	Application date: October 19, 2010	10
12.	PROFLEX (Wordmark)	Opposed	Application no: 2039822	Application date: October 19, 2010	11

Sr. No	Name of the IPR registration/ license	Whether registered/ applied for/ unregistered	Trademark/Registration Number	Date of registration/ application	Class
13.	PHENIX Trade Mark type: device	Opposed	Application no: 2078151	Application date: December 30, 2010	14
14.	PHENIX (Wordmark)	Opposed	Application no: 2078147	Application date: December 30, 2010	10
15.	PHENIX (Wordmark)	Opposed	Application no: 2078177	Application date: December 30, 2010	40
16.	PHENIX Trade Mark type: device	Opposed	Application no: 2078141	Application date: December 30, 2010	4

For risks associated with intellectual property, see, "*Risk Factors – We may not be able to adequately protect our intellectual property or may unintentionally infringe upon the intellectual property rights of others which could substantially harm our business.*" on page 43.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Fresh Issue and Offer for Sale has been authorised by our Board pursuant to its resolution dated March 7, 2024 and by our Shareholders pursuant to their resolution dated April 2, 2024. Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 25, 2024. For further details, see "*The Offer*" on page 76.

Our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated June 6, 2024.

The Selling Shareholders have confirmed and approved their participation in the Offer for Sale in relation to the Offered Shares. For further details, see "*The Offer*" on page 76.

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI or other governmental authorities

Our Company, Promoters, members of the Promoter Group, Directors, the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters or directors have been debarred from accessing capital markets under any order or direction passed by the SEBI or any other authorities.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers. Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Directors associated with the securities market

None of our Directors are associated with the securities market in any manner.

There have been no actions initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, each of the Selling Shareholders and members of the Promoter Group (to the extent applicable to them) are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as of the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so*."

We are an unlisted company not complying with the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Offer is proposed to be Allotted to QIBs. Provided that in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion will not be underwritten by the Underwriters, pursuant to the Underwriting Agreement. in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws. Further, not more than 15% of the Offer shall be available for allocation to NIBs of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 0.2 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer

Price. In the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Except for the options that may be granted pursuant to the M&B ESOP Plan 2024, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as of the date of this Draft Red Herring Prospectus.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Selling Shareholders confirm that the Equity Shares offered as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations and confirms compliance with and will comply with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING EQUIRUS CAPITAL PRIVATE LIMITED AND DAM CAPITAL ADVISORS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS ARE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THE RESPECTIVE PORTION OF THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 25, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus and the Prospectus, as applicable, with the RoC in terms of the Companies Act.

Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made in relation to our Company or the Offer other than those confirmed by them in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company’s instance. The Selling Shareholders accept no responsibility for any statements made other than those specifically made by the Selling Shareholders in relation to themselves and the Offered Shares. Except when specifically directed in this Draft Red Herring Prospectus, anyone placing reliance on any other source of information, including our Company’s website, www.mbel.in, any website of any member of the Promoter Group or affiliates of our Company, would be doing so at their own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Selling Shareholders (to the extent that the information required pertains to them and their respective Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company, the Selling Shareholders and the BRLMs for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the BRLMs, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the BRLMs, 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.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Selling Shareholders, and their respective directors and officers, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Subsidiaries, the Selling Shareholders, and their respective group companies, directors, officers, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India, including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Systemically Important NBFCs registered with the RBI or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, National Investment Fund, insurance funds set up and managed by the army, navy and air force of the Union of India, insurance funds set up and managed by the Department of Posts, Government of India and to NBFC-SI, Eligible FPIs, AIFs, FVCIs, Eligible NRIs and other eligible foreign investors, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, state industrial development corporations and registered multinational and bilateral development financial institutions.

This Draft Red Herring Prospectus shall not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction including India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform themselves about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India.

Bidders are advised to ensure that any Bid from them should not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India, 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, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries, the Selling Shareholders, our Promoters, members of our Promoter Group since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as at any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States. Accordingly, the Equity Shares are being offered and sold outside of the United

States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off – shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

The Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI. Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest on such refunds will be reimbursed by the Selling Shareholders in proportion to their respective Offered Shares.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the legal counsel to the Company as to Indian Law, legal counsel to the BRLMs as to Indian Law, CRISIL MI&A, the Bankers to our Company, the BRLMs, the Registrar to the Offer, Statutory Auditor, practicing company secretary, the Syndicate Members, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s), the Sponsor Bank(s) and the Monitoring Agency to act in their respective capacities, have been obtained/will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed (as applicable) along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents that have been obtained have not been withdrawn as of the date of this Draft Red Herring Prospectus.

Experts

Our Company has not obtained any expert opinions other than as disclosed below:

Our Company has received written consent dated September 23, 2024 from M/s Talati & Talati LLP , to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 23, 2024 on our Restated Consolidated

Financial Statements; and (ii) their report dated September 23, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, included in this Draft Red Herring Prospectus 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.

Our Company has received written consent dated September 23, 2024 from the practicing company secretary, Kashyap R. Mehta & Associates, Company Secretaries to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 23, 2024 issued in connection with inter alia the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 20, 2024 from Chetan Brahmania, independent chartered engineer, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 20, 2024 in relation to the Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding capital issues by our Company and listed Group Companies, subsidiaries or associate entities during the last three years

Other than as disclosed in the section "*Capital Structure*" on page 87, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

Our Company does not have any associates. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed Subsidiaries or Group Companies.

Commission and brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Details of Public or Rights Issues by our Company during the last five years

Our Company has not made public issues or undertaken any rights issue during the last five years.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Details of Public or Rights Issues by listed subsidiaries of our Company

Our Company does not have any listed Subsidiaries.

Price Information of Past Issues Handled by the BRLMs (during the current Fiscal and two Fiscals preceding the current Fiscal)

1. Equirus Capital Private Limited

Price information of past issues handled by Equirus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	TVS Supply Chain Solutions Limited$	8,800.00	197.00	August 23, 2023	207.05	+8.71% [+1.53%]	+6.57% [+1.29%].	-7.46% [+13.35%]
2.	Zaggle Prepaid Ocean Services Limited$	5,633.77	164.00	September 22, 2023	164.00	+30.95% [-0.67%]	+34.39% [+7.50%].	+87.71% [+10.89%].
3.	Protean eGov Technologies Limited#	4,899.51	792.00[2]	November 13, 2023	792.00	+45.21% [+7.11%]	+73.18% [+10.26%]	+45.85% [+11.91%]
4.	Fedbank Financial Services Limited$	10,922.64	140.00[3]	November 30, 2023	138.00	-2.75% [+7.94%]	-12.39% [+10.26%]	-13.43% [+13.90%]
5.	Happy Forgings Limited$	10,085.93	850.00	December 27, 2023	1,000.00	+14.06% [-1.40%]	+4.44% [+2.04%]	+42.78% [+8.53%]
6.	Jyoti CNC Automation Limited$	10,000.00	331.00[4]	January 16, 2024	370.00	+78.07% [-0.87%]	+135.94% [+2.21%]	+265.79% [+11.21%]
7.	Capital Small Finance Bank Limited#	5,230.70	468.00	February 14, 2024	435.00	-25.25% [+1.77%]	-26.09% [+1.33%]	-31.44% [+10.98%]
8.	Dee Development Engineers Limited$	4,180.15	203.00[5]	June 26, 2024	339.00	+81.16% [+2.25%]	+47.44% [+8.67%]	N.A.
9.	Ecos (India) Mobility & Hospitality Limited$	6,012.00	334.00	September 04, 2024	390.00	N.A.	N.A.	N.A.
10.	Kross Limited$	5,000.00	240.00	September 16, 2024	240.00	N.A.	N.A.	N.A.

***Source**: www.bseindia.com and www.nseindia.com for price information and prospectus/basis of allotment for issue details.*

Notes:

1. *A discount of ₹25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Netweb Technologies India Limited IPO*
2. *A discount of ₹75 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Protean eGov Technologies Limited IPO*
3. *A discount of ₹10 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Fedbank Financial Services Limited IPO*
4. *A discount of ₹15 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Jyoti CNC Automation Limited IPO*
5. *A discount of ₹19 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Dee Development Engineers Limited IPO*
6. *Price on Designated Stock Exchange of the respective Issuer is considered for all of the above calculations.*

7. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
8. *N.A. (Not Applicable) – Period not completed.*

\# *The S&P BSE SENSEX is considered as the Benchmark Index*

$ *The S&P CNX NIFTY is considered as the Benchmark Index*

Summary statement of price information of past public issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025*	3	15,192.15	-	-	-	1	-	-	-	-	-	-	-	-
2023-2024	8	61,882.55	-	1	1	2	2	2	-	1	2	3	2	-
2022-2023	5	28,975.05	-	1	1	-	1	2	-	1	1	1	2	-

** The information is as on the date of this Offer Document.*

The information for each of the financial years is based on issues listed during such financial year.

2. DAM Capital Advisors Limited

(i) *Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar day from listing
1	Bansal Wire Industries Limited(1)	7,450.00	256.00	July 10, 2024	356.00	+37.40%, [-0.85%]	Not applicable	Not applicable
2	Le Travenues Technology Limited(2)	7,401.02	93.00	June 18, 2024	135.00	+86.34%, [+4.42%]	+67.63%, [+7.23%]	Not applicable
3	Entero Healthcare Solutions Limited(2)	16,000.00	1,258.00#	February 16, 2024	1,245.00	-19.65%, [+0.30%]	-19.84% [+0.77%]	-2.19%, [+9.02%]
4	Capital Small Finance Bank Limited(2)	5230.70	468.00	February 14, 2024	435.00	-25.25%, [+1.77%]	-26.09%, [+1.33%]	-31.44%, [+10.98%]
5	Epack Durable Limited(2)	6,400.53	230.00	January 30, 2024	225.00	-19.96%, [+1.64%]	-9.76%, [+3.64%]	+14.04%, [+14.33%]
6	Credo Brands Marketing Limited(2)	5,497.79	280.00	December 27, 2023	282.00	-9.89%, [-1.86%]	-35.86%, [+1.10%]	-39.34%, [+7.18%]
7	ESAF Small Finance Bank Limited(2)	4,630.00	60.00$	November 10, 2023	71.90	+12.87%, [+ 7.58%]	+31.18%, [+11.17%]	+0.77%, [+13.26%]

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar day from listing
8	JSW Infrastructure Limited(2)	28,000.00	119.00	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	+106.30%, [+12.42%]
9	Yatra Online Limited(2)	7,750.00	142.00	September 28, 2023	130.00	-11.06%, [-2.63%]	-0.21%, [+8.90%]	+7.64%. [+11.18%]
10	Rishabh Instruments Limited(1)	4,907.83	441.00	September 11, 2023	460.05	+20.12%, [-1.53%]	+13.24%, [+4.87%]	+5.94%, [+12.49%]

Source: www.nseindia.com and www.bseindia.com
$ A discount of ₹ 5 per equity share was provided to eligible employees bidding in the employee reservation portion.
 # A discount of ₹ 119 per equity share was provided to eligible employees bidding in the employee reservation portion
(1) NSE was the designated stock exchange for the said issue.
(2) BSE was the designated stock exchange for the said issue.

Notes:

(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable
(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(f) Not applicable – Period not completed

(ii) *Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:*

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount - as on 30th calendar days from listing date			Nos. of IPOs trading at premium - as on 30th calendar days from listing date			Nos. of IPOs trading at discount - as on 180th calendar days from listing date			Nos. of IPOs trading at premium - as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-25	2	14,851.02	-	-	-	1	1	-	-	-	-	-	-	-
2023-24	9	87,066.85	-	1	5	-	1	2	-	2	1	1	-	5
2022-23	4	32,735.54	-	1	1	-	1	1	-	1	1	1	-	1

Source: www.nseindia.com and www.bseindia.com

Notes:

a. The information is as on the date of this offer document
b. The information for each of the financial years is based on issues listed during such financial year.
c. Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, please see the websites of the BRLMs indicated in the table below:

S. No.	Name of the BRLM	Website
1.	Equirus Capital Private Limited	www.equirus.com
2.	DAM Capital Advisors Limited	www.damcapital.in

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as of the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, Unified Payments Interface Identity ("**UPI ID**"), Permanent Account Number ("**PAN**"), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For Offer-related grievances, investors may contact the BRLMs, details of which are given in "*General Information –Book Running Lead Managers*" on page 80.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 ("**SEBI ICDR Master Circular**"), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular (No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 issued by the SEBI, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original Bid Amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non–Allotted/partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

All grievances (other than from Anchor Investors) in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgement Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

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

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and 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, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by Our Company

Our Company shall obtain authentication on the SCORES platform and shall comply with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders' Relationship Committee to review and redress shareholder and investor grievances. See "*Our Management – Committees of the Board – Stakeholders' Relationship Committee*" on page 259.

Our Company has appointed Palak Dilipbhai Parekh as the Company Secretary and Compliance Officer for the Offer, and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 78

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and there are no investor complaints pending as of the date of this Draft Red Herring Prospectus.

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company estimates that the average time required by it or the Registrar to the Offer or the relevant Designated Intermediary for the redressal of routine investor grievances shall be three days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Disposal of investor grievances by listed Group Companies and listed Subsidiaries

As of the date of this Draft Red Herring Prospectus, we do not have listed Subsidiaries or Group Companies.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the 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 Offer. 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 the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable law. For details in relation to Offer expenses, see "*Objects of the Offer*" on page 109.

Ranking of the Equity Shares

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 436.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association and our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (pursuant to transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 279 and 436, respectively.

Face value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹[●] per Equity Share ("**Cap Price**"). The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot and Employee Discount, if any, will be decided by our Company, in consultation with the BRLMs and shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- right of free transferability of their Equity Shares, subject to applicable laws; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 436.

Allotment of Equity Shares only in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated May 31, 2019 among our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated May 9, 2024 among our Company, CDSL and the Registrar to the Offer.

Employee Discount

Employee discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band can make payment based on, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of one Equity Share subject to a minimum allotment of [●] Equity Shares. For details of basis of allotment, see "*Offer Procedure*" on page 416.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our 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, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment in the Offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Collecting Depository Participant.

Period of operation of subscription list – Bid/Offer Programme

BID/OFFER OPENS ON	[●](1)
BID/OFFER CLOSES ON	[●](2)(3)

(1) *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors. 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.*
(2) *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
(3) *UPI mandate end time and date shall be 5:00 p.m. on the Bid/Offer Closing Date, i.e., on [●].*

An indicative timetable in respect of the Offer is disclosed below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA*	On or about [●]
Credit of Equity Shares to dematerialised accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism), exceeding [two] Working Days from the Bid/Offer Closing Date, for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circulars dated June 2, 2021, April 20, 2022 and June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such

as extension of the Bid/Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirms that he shall extend reasonable support and co-operation in relation to the Offered Shares, as may be requested by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, as may be prescribed by the SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with listing timelines and activities prescribed by the SEBI, in connection with the allotment and listing procedure within three Working Days from the Bid / Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non- Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non- Individual Applications of QIBs and NIIs where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification / Revision / cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories and modification / cancellation of Bids by Retail Individual Bidders#	Only between 10.00 a.m. and up to 4.00 p.m. IST

* *UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date.*

\# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by RIBs and Eligible Employees under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than the prescribed time 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 Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Bids and any revision in Bids will be accepted only during Working Days. The

Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Banks due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations, provided that the revised Cap Price shall be less than or equal to 120% of the revised Floor Price, the Floor Price shall not be less than the face value of the Equity Shares, and that 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. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and the terminals of the Syndicate Members and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank(s), as applicable.

Minimum subscription

If, as prescribed, our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the Bid/Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, the Selling Shareholders, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law, including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. Subject to applicable law, the Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders, in which case such liability shall be on a several and not joint basis and shall be to the extent of the Offered Shares.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. If there is a delay beyond the prescribed period, our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of an undersubscription in the Offer, the Equity Shares will be Allotted in the following order:

i. such number of Equity Shares will first be Allotted by our Company such that 100% of the Fresh Issue portion is subscribed; and

ii. upon (i), all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by the Selling Shareholders to the aggregate Offered Shares in the Offer for Sale).

In accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timelines as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for disposal of odd lots

Since the Equity Shares will be traded in dematerialised form only and the market lot for the Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any, on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the minimum Promoters' Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" on page 87, and except as provided in the Articles of Association as detailed in "*Description of Equity Shares and Terms of the Articles of Association*" on page 436, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLMs, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company in consultation with the BRLMs, decides not to proceed with the Offer, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI and the Stock Exchanges.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares bearing face value of ₹10 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹6,530.00 million comprising a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹3,250.00 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹3,280.00 million by the Selling Shareholders.

The Offer includes a reservation of up [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital. The Offer less than the Employee Reservation Portion is the Net Offer.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

The Offer and Net Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion(5)
Number of Equity Shares available for Allotment/ allocation (2)	Not less than [●] Equity Shares of ₹ 10 each	Not more than [●] Equity Shares of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares
Percentage of Offer size available for Allotment/ allocation	Not less than 75% of the Net Offer shall be available for allocation to QIBs. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not more than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation. Further, (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the other sub-category of	Not more than 10% of the Net Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation	The Employee Reservation Portion shall constitute [●]% of our post-offer paid-up Equity Share capital

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[5]
		Non-Institutional Bidders.		
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares of ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price.	The Equity Shares of ₹ 10 each available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares of ₹ 10 each are reserved for Bidders Biddings more than ₹ 0.20 million and up to ₹ 1.00 million; and b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares of ₹ 10 each are reserved for Bidders Bidding more than ₹ 1.00 million. The unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub- category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment of specified securities to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 416.	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares of ₹ 10 each in the Retail Portion and the remaining available Equity Shares of ₹ 10 each, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" on page 416.	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for a value exceeding ₹0.20 million subject to total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any).
Minimum Bid	Such number of Equity Shares of ₹ 10 each so that the Bid Amount	Such number of Equity Shares of ₹ 10 each so that the Bid Amount	[●] Equity Shares of ₹ 10 each and in multiples of	[●] Equity Shares and in multiples of [●] Equity Shares

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[5]
	exceeds ₹200,000 and in multiples of [●] Equity Shares of ₹ 10 each	exceeds ₹200,000 and in multiples of [●] Equity Shares of ₹ 10 each	[●] Equity Shares of ₹ 10 each	
Maximum Bid	Such number of Equity Shares of ₹ 10 each in multiples of [●] Equity Shares of ₹ 10 each so that the Bid does not exceed the size of the Offer (excluding the Anchor Portion), subject to applicable limits	Such number of Equity Shares of ₹ 10 each in multiples of [●] Equity Shares of ₹ 10 each so that the Bid does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares of ₹ 10 each in multiples of [●] Equity Shares of ₹ 10 each so that the Bid Amount does not exceed ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹0.50 million (less Employee Discount, if any)
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares of ₹ 10 each and in multiples of [●] Equity Shares of ₹ 10 each thereafter			
Allotment Lot	[●] Equity Shares of ₹ 10 each and thereafter in multiples of one Equity Share of ₹ 10 each thereafter			
Trading Lot	One Equity Share of ₹ 10 each			
Who can apply[3] [4]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of karta)	Eligible Employees
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process (including UPI Mechanism for Bids up to ₹0.50 million).	Only through the ASBA process (including the UPI Mechanism).	ASBA only (including the UPI Mechanism)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4]			

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[(5)]
	In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form			

* *Assuming full subscription in the Offer.*

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price.*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company 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, 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-allotment 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 spill-over from the remainder of the Net 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 Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process. SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIB and RIB and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(5) *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹0.50 million), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Our Company, in consultation with the BRLMs, may offer a discount of up to ₹ [●] of the Offer Price to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.*

The Bids by FPIs with certain structures as described under "*Offer Procedure — Bids by FPIs*" on page 421 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares of ₹10 each Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the members of the Syndicate, 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 of ₹10 each.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 406.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer, (ii) maximum and minimum Bid size, (iii) price discovery and allocation, (iv) payment instructions for ASBA Bidders, (v) issuance of Confirmation of Allocation Note and Allotment in the Offer, (vi)general instructions (limited to instructions for completing the Bid cum Application Form), (vii) Designated Date, (viii) disposal of applications, (ix) submission of Bid cum Application Form, (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds), (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications, (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 ("**T+3 Circular**"). Accordingly, the Offer will be undertaken as per the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the

Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI has reduced the time period for refund of application monies from 15 days to two days.

Our Company, the Selling Shareholders and the Syndicate and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus.

Further our Company, the Selling Shareholders and the Syndicate Members are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein in terms of Regulation 32(2) of the SEBI ICDR Regulations, not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹ [●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Subject to valid Bids being received at or above the Offer 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 BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer 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 dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders 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 their Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 until November 30, 2023, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: Pursuant to 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 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. The Offer shall be undertaken as per the processes and procedures under UPI Phase III, as notified in the T+3 Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 (the "**UPI Streamlining Circulars**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post– Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. The electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Retail Individual Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed color of the Bid cum Application Forms for various categories is as follows:

Category	Color of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]
Eligible Employees bidding in the employee Reservation Portion	[●]

* *Excluding electronic Bid cum Application Form*

Notes:

(1) *Electronic Bid cum Application Forms and the Abridged Prospectus will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

(2) *Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the Bankers to the Offer. The BRLMs shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NII & QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the stock exchange platform during the Bid/Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

Participation by the Promoters, the members of the Promoter Group, the BRLMs, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLMs.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, among the Anchor Investor and the BRLMs.

Further, except for the sale of Equity Shares by the Selling Shareholders, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "*Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall 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 warrant. 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.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

Also see "*Restrictions on Foreign Ownership of Indian Securities*" on page 435.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap is 100% and accordingly, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI 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. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments(as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying asset) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of is subject to, *inter alia*, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (the "**Operational FPI Guidelines**"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "**MIM Structure**"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus."

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re- registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

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, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹500,000.

However, Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e., [●] colour form).

(b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.

(c) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(d) Only those Bids, which are received at or above the Offer Price would be considered for Allotment under this category.

(e) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (net of Employee Discount, if any). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000 (net of Employee Discount, if any), provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (net of Employee Discount, if any).

(f) Eligible Employees can apply at Cut-off Price.

(g) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(h) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(i) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.

(j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the Lead Manager, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Lead Manager, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid- up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, shall not exceed more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate equity investment made by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company paid up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, a certified copies of the (i) certificate of registration issued by RBI, (ii) last audited financial statements on a standalone basis (iii) a net worth certificate from its statutory auditor(s), and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, Systemically Important NBFCs, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below:

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. 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 ₹100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, and will be completed on the same day.

(v) Our Company, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(vi) 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 BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(ix) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked- in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

(x) Neither (a) BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply in the Offer under the Anchor Investor Portion.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

For more information, please read the General Information Document.

Certain Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. UPI Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

A. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

B. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

C. Ensure that you have Bid within the Price Band;

D. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

E. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

F. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

G. UPI Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

H. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

I. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

J. The ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

K. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

L. 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 the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

M. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgement specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

N. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgement Slip;

O. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

P. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

Q. 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;

R. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

S. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;

T. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

U. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;

V. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

W. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

X. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process;

Y. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

Z. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

AA. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

BB. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

CC. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

DD. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

EE. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

FF. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her/its UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorises the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid cum Application Form;

GG. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;

HH. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion for allocation in the Offer;

II. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

JJ. Ensure that the Demographic Details are updated, true and correct in all respects; and

KK. Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021, each issued by the Central Board of Direct Taxes.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

A. Do not Bid for lower than the minimum Bid size;

B. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

C. Do not Bid/revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;

D. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount);

E. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

F. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;

G. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

H. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

I. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

J. Do not submit the Bid for an amount more than funds available in your ASBA account;

K. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

L. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date for QIBs;

M. Do not Bid for Equity Shares in excess of what is specified for each category;

N. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;

O. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

P. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;

Q. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

R. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

S. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of the Red Herring Prospectus;

T. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion (subject to the Bid Amount being up to ₹200,000), can revise or withdraw their

Bids on or before the Bid/Offer Closing Date;

U. Do not submit the General Index Register ("**GIR**") number instead of the PAN;

V. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

W. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

X. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

Y. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

Z. Anchor Investors should not Bid through the ASBA process;

AA. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

BB. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

CC. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

DD. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

EE. In case of ASBA Bidders (other than 3-in-1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000;

FF. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and

GG. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" on page 78.

For helpline details of the BRLMs pursuant to SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, see "*General Information*" on page 78.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹200,000;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular dated March 16, 2021 read with SEBI circular dated June 21, 2023 and SEBI circulars dated June 2, 2021 and April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs 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.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, , all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Managers and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading of the Equity Shares on the Stock Exchanges, disclosing the date of commencement of trading of the Equity Shares on the Stock Exchanges in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(iii) all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock

Exchanges where the Equity Shares are proposed to be listed shall be taken within the time period of the Bid/Offer Closing Date, as may be prescribed by the SEBI or under any applicable law;

(iv) if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(v) the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vii) Except for Equity Shares allotted pursuant to the Offer, no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc, other than as disclosed in accordance with Regulation 56;

(viii) Promoter's contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

(ix) Our Company shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;

(x) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly; and

(xi) if [our Company and the Selling Shareholders, in consultation with the BRLMs] withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Selling Shareholders

The Selling Shareholders undertake the following:

(i) they are the legal and beneficial owners of the Equity Shares offered by them in the Offer for Sale;

(ii) the Offered Shares are free and clear of any encumbrances and shall be transferred to the successful Bidders under applicable law free and clear of any encumbrances;

(iii) the portion of the Offered Shares offered for sale by the Selling Shareholders are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;

(iv) they shall provide such reasonable assistance and cooperation as may be reasonably required by our Company and the Book Running Lead Managers in redressal of such investor grievances in relation to their respective Offered Shares and statements specifically made or confirmed by them in this Draft Red Herring Prospectus in relation to themselves as a Selling Shareholder;

(v) they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person (whether related to themselves or not) for making a Bid in the Offer;

(vi) they shall provide such reasonable support and cooperation as required under applicable law or requested by our Company and/or the Book Running Lead Managers in relation to their respective Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable); and

(vii) they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges.

The statements and undertakings provided above are statements which are specifically confirmed or undertaken by the Selling Shareholders in relation to themselves and their respective Offered Shares.

Utilization of Offer Proceeds

Our Company declares that:

(i) all monies received out of the Fresh 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;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India (*earlier known as the Department of Industrial Policy and Promotion*) ("**DPIIT**") issued the FDI Policy, which with effect from October 15, 2020 consolidated, subsumed superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as of and prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted for our Company. For further details, see "*Key Regulations and Policies*" on page 229.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on page 421.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-debt Instruments Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer. For further details, see "*Offer Procedure*" on page 416.

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act, and shall not be offered or sold within the United States, Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION INTERPRETATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. Except as disclosed below, there are no other material provisions of the Articles of Association that are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

1.	The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	Table 'F' not to apply
	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	Company to be governed by these Articles
Definitions and Interpretation		
2. (1)	In these Articles -	
	(a) "**Act**" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	"Act"
	(b) "**Applicable Laws**" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, bye-laws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time	"Applicable Laws"
	(c) "**Articles**" means these articles of association of the Company or as altered from time to time.	"Articles"
	(d) "**Board of Directors**" or "**Board**", means the collective body of the Directors of the Company nominated and appointed from time to time in accordance with Articles 84 to 90, herein, as may be applicable.	"Board of Directors" or "Board"
	(e) "**Company**" means **M & B Engineering Limited**	"Company"
	(f) "**Lien**" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy;	"Lien"
	(g) "**Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"
	(h) "**Memorandum**" means the memorandum of association of the Company or as altered from time to time.	"Memorandum"
(2)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.	"Number" and "Gender"
(3)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	Expressions in the Articles to bear the same meaning as in the Act
Articles to be contemporary in nature		
3.	The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.	Articles to be contemporary in nature

Share capital and variation of rights			
4.		The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in Clause V of Memorandum of Association with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.	Authorized share capital
5.		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 Board 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 (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit provided that the option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Shares under control of Board
6.		Subject to the provisions of the Act, these Articles and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Board may allot shares otherwise than for cash
7.		The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws: (a) Equity Share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital	Kinds of share capital
8.	(1)	Unless the shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall provide – (a) one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of Rupees Twenty for each certificate or such charges as may be fixed by the Board for each certificate after the first.	Issue of certificate
	(2)	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 the person first named on the register of members shall be sufficient delivery to all such holders.	Issue of share certificate in case of joint holding
	(3)	Every certificate shall specify the shares to which it relates, distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.	Option to receive share certificate or hold shares with depository
9.		A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof,	Option to receive share certificate or hold shares with depository

		shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium.	
10.		If any 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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.	Issue of new certificate in place of one defaced, lost or destroyed
11.		Except as required by Applicable Laws, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
12.		Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.	Terms of issue of debentures
13.		The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
14.	(1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	Power to pay commission in connection with securities issued
	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
	(3)	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.	Mode of payment of commission
15.	(1)	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 the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights

	(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.	Provisions as to general meetings to apply *mutatis mutandis* to each Meeting
16.		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.	Issue of further shares not to affect rights of existing members
17.		Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
18.	(1)	Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered: (a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions: i. the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; ii. the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and iii. after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or (b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or (c) to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder. The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue. The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act.	Further issue of share capital
	(2)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.	

	(3)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
	(4)	Subject to the applicable provisions of the Companies Act, 2013, the Company shall have the power to issue, offer and allot Equity Warrants on such terms and conditions as may be deemed fit by the Board of Directors.	Equity Warrants at disposal
Lien			
19.	(1)	The fully paid shares will be free from all Lien, however, Company shall have a first and paramount Lien – (a) on every share (not being a fully paid share) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares.	Company's lien on shares
	(2)	The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
	(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien.	Waiver of Lien in case of registration
20.		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: Provided that no sale shall be made- (a) unless a sum in respect of which the Lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing Lien by sale
21.	(1)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Validity of sale
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
	(4)	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 with reference to the sale	Purchaser not affected
22.	(1)	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.	Application of proceeds of sale
	(2)	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.	Payment of residual money
23.		The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to Lien to apply mutatis mutandis to debentures, etc.
Calls on shares			
24.	(1)	The Board may, from time to time, make calls upon the members in respect of	Board may make Calls

		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 preceding call	
	(2)	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.	Notice of call
	(3)	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
25.		A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
26.		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
27.	(1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
	(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
28.	(1)	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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2)	In case of non-payment of such sum, all the relevant provisions of these Articles 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.	Effect of nonpayment of sums
29.		The Board : (a) may, if it thinks fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends subsequently declared or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Directors may at any time repay the amount so advanced.	Payment in anticipation of calls may carry interest
30.		If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
31.		All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
32.		The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
Transfer of shares			
33.	(1)	A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all provisions of section 56 of	Instrument of transfer to be executed by transferor and transferee

	the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.	
(2)	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.	
34.	The Board may, subject to the right of appeal conferred by the section 58 of the Act and other applicable provisions of the Act or any other law for the time being in force, decline to register the transfer or the transmission by operation of law of the right to– (a) any share, not being a fully paid share, to a person of whom they do not approve; or (b) any shares on which the Company has a Lien. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.	Board may refuse to register transfer
35.	The Board may decline to recognize any instrument of transfer unless- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Board may decline to recognize instrument of transfer
36.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act 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.	Transfer of shares when suspended
37.	Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.	Notice of refusal to register transfer
38.	The provisions of these Articles relating to transfer of shares shall *mutatis*	Provisions as to transfer of

	mutandis apply to any other securities including debentures of the Company.	shares to apply *mutatis mutandis* to debentures, etc.
Transmission of shares		
39. (1)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.	Title to shares on death of a member
(2)	Nothing in clause (1) 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.	Estate of deceased member liable
40. (1)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.	Transmission Clause
(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
41. (1)	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.	Right to election of holder of share
(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
(3)	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.	Limitations applicable to notice
42.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
43.	The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
44.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document	No fee for transfer or transmission
Forfeiture of shares		
45.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company	If call or instalment not paid notice must be given

	by reason of non-payment.	
46.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of Notice
47.	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.	In default of payment of shares to be forfeited
48.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.	Entry of forfeiture in register of members
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
50. (1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
51. (1)	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, and shall 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.	Members still liable to pay money owing at the time of forfeiture
(2)	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.	Cesser of liability
52. (1)	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;	Certificate of forfeiture
(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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;	Title of purchaser and transferee of forfeited shares
(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
(4)	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, re-allotment or disposal of the share.	Transferee not affected
53.	Upon any sale after forfeiture or for enforcing a Lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser’s name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
54.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
55.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
56.	The provisions of these Articles as to forfeiture shall apply in the case of non-	Sums deemed to be calls

	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.	
57.	The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.
Borrowing Powers		
58.	Subject to the provisions of the Act and these Articles, the Board may from time to time, at its own discretion, borrow monies by passing a resolution at meetings of the Board; provided however, that if the monies to be borrowed, together with the money already borrowed by the Company exceeds the aggregate of the paid-up share capital and free reserves and securities premium of the Company, then such borrowing must be approved by way a special resolution in accordance with the provisions of the Act.	Power of the Board to borrow monies
Alteration of capital		
59.	Subject to the provisions of the Act, the Company may, by ordinary resolution - (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	Power to alter share capital
60.	Where shares are converted into stock: (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "**share**" and "**shareholder**"/ "**member**" shall include "**stock**" and "**stock-holder**" respectively.	Right of stockholders
61.	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, -	Reduction of capital

	(a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	
62.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint holders
	(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders
	(b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holders
	(c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one Sufficient
	(d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	(e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
	(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrators as joint holders
	(f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.
Capitalization of profits		
63. (1)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve – (a) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) That such sum be accordingly set free for distribution in the manner specified in clause(2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalization
(2)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards:	Sum how applied

		(a) Paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) Paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).	
	(3)	A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
	(4)	The Board shall give effect to the resolution passed by the Company in pursuance of these Article.	
64.	(1)	Whenever such a resolution as aforesaid shall have been passed the Board shall – (a) Make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and (b) Generally do all acts and things required to give effect thereto.	Powers of the Board for capitalization
	(2)	The Board shall have power - (a) To make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and (b) To authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	Board's power to issue fractional certificate/ coupon etc.
	(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
Buy-back of shares			
65.		Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Laws for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
General meetings			
66.		All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
67.		The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
Proceedings at general meetings			
68.		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.	Presence of Quorum
69.		No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
70.		The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
71.		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, by poll or electronically, choose one of their members	Members to elect a Chairperson

	to be Chairperson of the meeting.	
72.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
73. (1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	Certain matters not to be included in Minutes
(3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to Minutes
(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be Evidence
74. (1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: a. be kept at the registered office of the Company; and b. be open to inspection of any member without charge, during business hours on all working days.	Inspection of minute books of general meeting
(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
Adjournment of meeting		
75. (1)	The Chairperson may, *suo motu*, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
(3)	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.	Notice of adjourned meeting
(4)	Save as aforesaid, and save as provided in 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.	Notice of adjourned meeting not required
Voting rights		
76.	Subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up Equity Share capital of the company.	Entitlement to vote on show of hands and on poll
77.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
78. (1)	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.	Vote of joint holders
(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
79.	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	How members non compos mentis and minor may vote

	or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	
80.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
81.	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 or in regard to which the Company has exercised any right of Lien.	Restriction on voting rights
82.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
83.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
Proxy		
84. (1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
(2)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
85.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
86.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
Board of Directors		
87.	Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen). **The First Directors of the Company are :** 1. Shri Manibhai Shivabhai Patel 2. Shri Manubhai Shivabhai Patel 3. Shri Hasmukhbhai Shivabhai Patel 4. Shri Ishwarbhai Zaverbhai Patel	Board of Directors
88.	The Directors shall not be required to hold any qualification shares in the Company.	
88A (1)	The Board of Directors shall appoint the Chairperson of the Company. The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company.	Chairperson and Managing Director
(2)	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
89. (1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
(2)	The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent
(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or	Travelling and other expenses

	(b) in connection with the business of the Company.	
(4)	Subject to the provisions of these Articles and the provisions of the Act, the Board may, decide to pay a Director out of funds of the Company by way of sitting fees, within the ceiling prescribed under the Act, a sum to be determined by the Board for each meeting of the Board or any committee or sub-committee thereof attended by him in addition to his traveling, boarding and lodging and other expenses incurred	Sitting Fees
APPOINTMENT AND REMUNERATION OF DIRECTORS		
90.	Subject to the provisions of the Act and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act.	Appointment
91.	Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board.	Independent Director
92.	Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.	Remuneration
93.	Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director	Payment for Extra Service
94.	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.	Execution of negotiable instruments
95. (1)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
(2)	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.	Duration of office of additional director
96. (1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
97. (1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the	Appointment of director to fill a casual vacancy

		Board.	
	(2)	The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
Powers of Board			
98.		The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
Proceedings of the Board			
99.	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Provided, that the Board of Directors shall hold meetings at least once in every three months and at least four times every calendar year.	When meeting to be convened
	(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
	(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Board meetings
	(5)	At least 7 (seven) Days' written notice shall be given in writing to every Director by hand delivery or by speed-post or by registered post or by facsimile or by email or by any other electronic means, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable, to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors.	Notice of Board meetings
100.	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
101.		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.	Directors not to act when number falls below minimum
102.	(1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting	Directors to elect a Chairperson
103.	(1)	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.	Delegation of powers
	(2)	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.	Committee to conform to Board regulations

	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Committee meetings
104.	(1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
105.	(1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
106.		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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
107.		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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.	Passing of resolution by Circulation
Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer			
108.	(1)	Subject to the provisions of the Act, - A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
	(2)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
Registers			
109.		The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
110.	(1)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
	(2)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
Dividends and Reserve			
111.		The Company in general meeting may declare dividends, but no dividend shall	Company in general

		exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	meeting may declare dividends
112.		Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
	112A	Subject to the provisions of the Act, the Board may from time to time pay to the members such special dividends of such amount on such class of shares and at such times as it may think fit.	Special dividends
113.	(1)	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 applied 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.	Dividends only to be paid out of profits
	(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
114.	(1)	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.	Division of profits
	(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
	(3)	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.	Dividends to be apportioned
115.	(1)	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.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
	(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
116.	(1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.	Dividend how remitted
	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
117.		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.	Receipt of one holder sufficient
118.		No dividend shall bear interest against the Company.	No interest on dividends
119.		The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
UNPAID OR UNCLAIMED DIVIDEND			
120.	(1)	Where the Company has declared a dividend but which has not been paid or	Transfer of unclaimed

	claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank subject to the applicable provisions of the Act and the Rules made thereunder.	dividend
(2)	The Company shall, within a period of ninety days of making any transfer of an amount, as stated above to the unpaid dividend account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed. If any default is made in transferring the total amount referred to in sub-article (1) or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed. All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.	Transfer to IEPF Account
(3)	No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.	Forfeiture of unclaimed dividend
Accounts		
121. (1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by Applicable Laws or authorized by the Board.	Restriction on inspection by members
Winding up		
122.	Subject to the applicable provisions of the Act and the Rules made thereunder –	Winding up of Company
(1)	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.	
(2)	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.	
(3)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
Indemnity and Insurance		
123. (1)	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by	Directors and officers right to indemnity

	reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	
(2)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	
(3)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
Secrecy		
124.	Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Account or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	
General Power		
125.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.	General power

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC, and will also be available at the following weblink: www.mbel.in. Physical copies of the above- mentioned documents referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material contracts to the Offer

1. Offer Agreement dated September 25, 2024 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated September 18, 2024, entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank(s) Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Bankers to the Offer, and the Registrar to the Offer.

5. Share Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders, and the Share Escrow Agent.

6. Syndicate Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members.

7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.

2. Original certificate of incorporation dated June 16, 1981, issued by RoC.

3. Fresh certificates of incorporation dated November 22, 2006, and March 30, 2011, issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

4. Resolution dated March 7, 2024, passed by the Board authorising the Offer and other related matters.

5. Resolution dated April 2, 2024, passed by the Shareholders authorising the Fresh Issue and other related matters.

6. Resolution dated June 6, 2024, passed by the Board taking on record the participation of the Selling Shareholders in the Offer for Sale and other matters.

7. Resolution dated September 25, 2024 passed by the Board approving this Draft Red Herring Prospectus and certain other related matters.

8. Consent letters of the Selling Shareholders for participation in the Offer for Sale, as detailed in "*The Offer*" on page 76.

9. Industry report titled "*Assessment of Pre-engineered buildings, structural steel and self-supported roofing industries*" dated September 2024 issued by CRISIL.

10. Consent letter dated September 23, 2024 issued by CRISIL MI&A, with respect to the CRISIL Report.

11. Revised Memorandum of Understanding dated January 29, 2021, revising the Memorandum of Understanding dated October 7, 2020, entered into between our Company, Modtech, Malav Patel, Chirag Patel, and Kishansinh Gohil, our Company acquired 51% stake in the equity share capital of Modtech.

12. Share Purchase-Cum-Shareholders Agreement ("**SPSHA**") dated May 24, 2023, with Varun Gajjar, Modtech, and Kishansinh Gohil.

13. The examination report dated September 23, 2024, of the Statutory Auditors on the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus.

14. Written consent dated September 23, 2024 from M/s Talati & Talati LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 23, 2024 on our Restated Consolidated Financial Statements; and (ii) their report dated September 23, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, in this Draft Red Herring Prospectus 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.

15. Our Company has received written consent dated September 23, 2024 from the practicing company secretary, Kashyap R. Mehta & Associates, Company Secretaries to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 23, 2024 issued in connection with *inter alia* the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

16. Written consent from Chetan Brahmania, independent chartered engineer, to include his name as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 20, 2024 in relation to the Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus.

17. Consents of the BRLMs, the Registrar to the Offer, the Syndicate Members, Bankers to the Company, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s) and Sponsor Bank(s), Monitoring Agency, the legal counsel to the Offer, our Directors and the Company Secretary and Compliance Officer, to act in their respective capacities.

18. Report on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, dated September 23, 2024 issued by the Statutory Auditors.

19. Certificate dated September 25, 2024 the Statutory Auditors, certifying the KPIs of our Company.

20. Certificate dated September 23, 2024, from Kashyap R. Mehta & Associates, Company Secretaries practicing company secretary in relation to the missing and untraceable RoC forms.

21. Undertaking dated [●] submitted by the BRLMs to SEBI in relation to disclosure of the Pre-IPO Placement by way of public advertisement and the Price Band advertisement.

22. Undertaking dated [●] submitted by the BRLMs to SEBI in relation to the utilization of the proceeds from the Pre-IPO Placement.

23. Copies of annual reports of our Company for Fiscal 2024, Fiscal 2023 and Fiscal 2022.

24. Tripartite agreement dated May 31, 2019, among our Company, NSDL and the Registrar to the Offer.

25. Tripartite agreement dated May 9, 2024, among our Company, CDSL and the Registrar to the Offer.

26. Due diligence certificate to SEBI from the BRLMs dated September 25, 2024.

27. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

28. Final observation letter bearing number [●] dated [●] issued by 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 Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Chirag Hasmukhbhai Patel
(*Chairman and Joint Managing Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Malav Girishbhai Patel
(*Joint Managing Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Vipinbhai Kantilal Patel
(*Non-Executive Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Girishbhai Manibhai Patel
(*Whole-time Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Aditya Vipinbhai Patel
(*Whole-time Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Birva Chirag Patel
(*Whole-time Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Birju Maheshbhai Patel
(*Independent Director)*

Place: Mumbai, Maharashtra

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sanjay Shaileshbhai Majmudar
(*Independent Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Hemant Ishwarlal Modi
(*Independent Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Udayan Dileep Choksi
(*Independent Director)*

Place: Mumbai, Maharashtra

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Subir Kumar Das
(*Independent Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

Sonal Vimal Ambani
(*Independent Director)*

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

____

Keyur Bachubhai Shah

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Chirag Hasmukhbhai Patel, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Chirag Hasmukhbhai Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Girishbhai Manibhai Patel, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Girishbhai Manibhai Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Vipinbhai Kantilal Patel jointly with Leenaben Vipinbhai Patel, acting as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or specifically in relation to itself as a Selling Shareholder and portion of the Equity Shares being offered by it in the Offer for Sale, are true and correct. Vipinbhai Kantilal Patel jointly with Leenaben Vipinbhai Patel assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Vipinbhai Kantilal Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Aditya Vipinbhai Patel, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Aditya Vipinbhai Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Birva Chirag Patel, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Birva Chirag Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Umaben Girishbhai Patel, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Umaben Girishbhai Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024

DECLARATION

I, Leenaben Vipinbhai Patel jointly with Vipinbhai Kantilal Patel, acting as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or specifically in relation to itself as a Selling Shareholder and portion of the Equity Shares being offered by it in the Offer for Sale, are true and correct. Leenaben Vipinbhai Patel jointly with Vipinbhai Kantilal Patel assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Leenaben Vipinbhai Patel

____

Place: Ahmedabad, Gujarat

Date: September 25, 2024