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**BMW VENTURES LIMITED**  
**CORPORATE IDENTITY NUMBER: U25111BR1994PLC006131**

REGISTERED & CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004	<i>Ruchika Maheshwari Kejriwal</i> Company Secretary & Compliance Officer	<b>Email:</b> cs@bmwventures.com <b>Telephone:</b> +91 81022 23771/74	www.bmwventures.com

**OUR PROMOTERS: MR. BIJAY KUMAR KISHOREPURIA, MRS. SABITA DEVI KISHOREPURIA, MR. NITIN KISHOREPURIA, MRS. RACHNA KISHOREPURIA, BMW FIN-INVEST PRIVATE LIMITED, RIDHISIDHI FINCON PRIVATE LIMITED**

**DETAILS OF ISSUE TO THE PUBLIC**

TYPE	ISSUE SIZE	OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATIONS AMONG QIBS, NIIS AND RIIS
Fresh Issue	Up to 2,34,00,000 Equity Shares aggregating up to ₹[•] lakhs	NIL	Up to 2,34,00,000 Equity Shares aggregating up to ₹[•] lakhs	The Issue is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For further details, see "Other Regulatory and Statutory Disclosures – Eligibility for the Issue" on page 374. For details in relation to share reservation among Eligible Employees, QIBs, NIBs and RIBs, see "Issue Structure" beginning on page 392.

**RISKS IN RELATION TO THE FIRST ISSUE**

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 Floor Price and Cap Price, determined by our Company in consultation with the Book Running Lead Manager, and the Issue Price determined by our Company, in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" beginning on page 139 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended, nor approved by the Securities and Exchange Board of India ("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 the section entitled "Risk Factors" on page 36.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares issued through 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"). For the purposes of the Issue, the Designated Stock Exchange shall be [•].

**DRAFT RED HERRING PROSPECTUS**



Dated: April 30, 2025

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

Please read section 32 of the Companies Act, 2013

**100% Book Building Issue**

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BOOK RUNNING LEAD MANAGER					
Name & Logo of BRLM		Contact Person		Telephone & Email	
 S A R T H I Sarathi Capital Advisors Private Limited		Pankaj Chaurasia		Email Id: ipo@sarthiwm.in Tel No.: +91 22 2652 8671/ 72	
REGISTRAR TO THE ISSUE					
Name & Logo of Registrar		Contact Person		Telephone & Email	
 CAMEO Cameo Corporate Services Limited		K. Sreepriya		Email: bmw@cameoindia.com Tel No.: +91 44 4002 0700	
BID/ISSUE PERIOD					
ANCHOR INVESTOR BIDDING DATE	[•]	BID/ISSUE OPENS ON*	[•]	BID/ISSUE CLOSES ON**	[•]#

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

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

<sup>#</sup>UPI mandate end time and date shall be 5:00 pm on the Bid/ Issue Closing Date.



## BMW VENTURES LIMITED

Our Company was originally incorporated as BMW Ventures Limited on October 07, 1994 with the Registrar of Companies, Bihar, Patna, as a limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated October 07, 1994 and Certificate of Commencement of Business issued on October, 19, 1994 by Registrar of Companies, Patna, Bihar. For details of change in name and address of our Registered Office, see “Our History and Certain Corporate Matters” on page 235 of this Draft Red Herring Prospectus.

**Registered Office:** 1<sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna- 800004; **CIN:** U25111BR1994PLC006131;  
**Contact Person:** Ruchika Maheshwari Kejriwal, Company Secretary and Compliance Officer; **Telephone No:** +91 81022 23771/74;  
**E-mail:** cs@bmwventures.com

### **OUR PROMOTERS: MR. BIJAY KUMAR KISHOREPURIA, MRS. SABITA DEVI KISHOREPURIA, MR. NITIN KISHOREPURIA, MRS. RACHNA KISHOREPURIA, BMW FIN-INVEST PRIVATE LIMITED, RIDHISIDHI FINCON PRIVATE LIMITED**

**INITIAL PUBLIC OFFERING OF UP TO 2,34,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹[•] LAKHS (THE “ISSUE”). THE ISSUE WOULD CONSTITUTE 26.98% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF [•], AN ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF [•], A HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AS ALSO HINDI BEING REGIONAL LANGUAGE OF PATNA, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, AND TOGETHER WITH BSE, 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”).**

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

This is an Issue in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50.00% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs and such portion, the “QIB Portion”), provided that our Company, in consultation with the BRLM, may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“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) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Issue shall be available for allocation to Non-Institutional Bidders of which one-third portion shall be available for allocation to Non-Institutional

Bidders with a Bid size of more than ₹ 2.00 lakhs and up to ₹ 10.00 lakhs and two-third portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 10.00 lakhs, provided that unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price all potential Bidders (except Anchor Investors) are mandatorily required to utilize the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA Process. For further details, see “Issue Procedure” on page 392.

### RISKS IN RELATION TO THE FIRST ISSUE

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 the Equity Shares is ₹ 10 each. The Floor Price, the Issue Price or the Price Band (determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 139), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 36.


### ISSUER’S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. 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. For the purposes of the Issue, the Designated Stock Exchange shall be [●].

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

  
Sarthi Capital Advisors Private Limited  
CIN: U65190DL2012PTC238100  
401, 4<sup>th</sup> Floor, Manek Plaza, 167,  
Vidyanagari Marg, Kalina, Santacruz (E),  
Mumbai – 400 098  
Tel No.: +91 22 2652 8671/ 72  
Email Id: ipo@sarthiwm.in  
Contact Person: Pankaj Chaurasia  
SEBI Registration No.: INM000012011  
Website: www.sarthi.in

### REGISTRAR TO THE ISSUE

  
Cameo Corporate Services Limited  
CIN: U67120TN1998PLC041613  
Subramanian Building, 1, Club House Road, Chennai-  
600002  
Tel No.: +91 44 4002 0700  
E-Mail Id: bmw@cameoindia.com  
Investor Grievance E-Mail Id:  
investor@cameoindia.com  
Website: www.cameoindia.com  
Contact Person: K. Sreepriya  
SEBI Registration No.: INR000003753

### BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE	[●]	BID/ISSUE OPENS ON*	[●]	BID/ISSUE CLOSES ON**	[●]
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\*Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

#UPI mandate end time and date shall be 5:00 pm on the Bid/ Issue Closing Date

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## SECTION I-GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.*

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

*Notwithstanding the foregoing, the terms used in “Objects of the Issue”, “Basis for Issue Price”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “History and Certain Corporate Matters”, “Restated Financial Information”, “Financial Indebtedness”, “Outstanding Litigation and Material Developments”, “Other Regulatory and Statutory Disclosures” and “Main Provision of the Articles of Association” beginning on pages 129,139,146, 148, 227, 235, 271, 330, 357, 374 and 417 respectively, shall have the meanings ascribed to them in the relevant section.*

#### General Terms

Term	Description
“Our Company” or “the Company” or “the issuer” or “BMW”	BMW Ventures Limited (formerly known as BMW Ventures Private Limited), a Public Limited Company Incorporated under the provisions of Companies Act, 1956, having its Registered Office at 1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

#### Company Related Terms

Term	Description
Articles of Association or AoA or Articles	The articles of association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 as described in “Our Management – Committees of our Board – Audit Committee” on page 241.
Auditors or Statutory Auditors	The statutory auditors of our Company, currently being ADV & Associates, Chartered Accountants.
Board or Board of Directors	The Board of Directors of our Company, as described in “Our Management” beginning on page 241.
Chief Financial Officer	Chief Financial Officer of our Company, being Birendra Yadav. For details, see “Our Management –Key Managerial Personnel and Senior Management” on page 241.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Ruchika Maheshwari Kejriwal. For details, see “Our Management –Key Managerial Personnel and Senior Management” on page 241.



Term	Description
Corporate Promoters	The Corporate Promoters of our Company, namely BMW Fin-Invest Private Limited and Ridhisidhi Fincon Private Limited. For details, see “Our Promoters and Promoter Group–Details of our Promoters are as follows-Corporate Promoters” on page 241.
CSR Committee or Corporate Social Responsibility Committee	The Corporate Social Responsibility committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 as described in “ <i>Our Management-Committees of the Board</i> ” on page 241
Director(s)	The Directors on our Board. For details, see “ <i>Our Management -Board of Directors</i> ” on page 241.
Equity Shares	The Equity shares of our Company having face value of ₹10 each.
Founder or Promoter(s)	Promoters of our Company, being Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria, Nitin Kishorepuria, Rachna Kishorepuria, BMW Fin-Invest Private Limited and Ridhisidhi Fincon Private Limited. For details, please see “ <i>Our Promoter and Promoter Group</i> ” beginning on page 260.
Group Company	Group companies of our Company, in accordance with the SEBI ICDR Regulations and the Materiality Policy. For further details, see the section titled “Group Companies” on page 267
Independent Directors	Independent Directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details see “ <i>Our Management</i> ” beginning on page 241.
Key Managerial Personnel” or KMP	Key managerial personnel of our Company in accordance with Regulation 2(1) (bb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management-Key Managerial Personnel</i> ” on page 241.
Materiality Policy	The policy adopted by our Board of Directors on March 25, 2025 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
MoA or Memorandum of Association	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee or “NRC Committee”	The Nomination and Remuneration Committee of our Board, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013as described in “ <i>Our Management-Committees of our Board</i> ” on page 241.
Non-executive Director(s)	The Non-Executive Directors, Non-Independent Directors of our Company. For details, see “ <i>Our Management</i> ” beginning on page 241.
Promoter Group	The individuals and the entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in “ <i>Our Promoter and Promoter Group</i> ” beginning on page 260.
Registered Office	The Registered Office of our Company is situated at 1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004.
Registrar of Companies or RoC	Registrar of Companies, Bihar
Restated Financial Information	Restated Financial Information of our Company for the period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 comprising the restated statement of assets and liabilities (including other comprehensive income), the restated statement of cash flows, the restated consolidated statement of changes in equity for the financial period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, the summary statement of significant accounting policies and other explanatory notes, prepared in accordance with Ind AS and as per

Term	Description
	requirement of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations, as amended and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the Institute of Chartered Accountants of India, as amended from time to time.
Senior Management	Senior management personnel of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "Our Management" on page 241.
Shareholder(s)	Shareholder(s) of our Company from time to time.
Stakeholders Relationship Committee	The Stakeholders' Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations as described in "Our Management-Committees of our Board" on page 241.

#### Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of a prospectus as may be specified by the SEBI.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot or Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares of Face Value of ₹10 each, pursuant to the Issue to the successful applicants.
Allotment Advice	A note or advice or intimation of allotment sent to each of the successful bidders who have been or are to be allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the equity shares of face value of ₹10 each are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring prospectus and who has Bid for an amount of at least ₹1,000 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLMs during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bidding Date or Anchor Investor Bid/ Issue Period	The date, being one Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	<p>The final price at which the Equity Shares of face value of ₹10 each will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be equal to or higher than the Issue Price but not higher than the Cap Price.</p> <p>The Anchor Investor Issue Price will be determined by our Company, in consultation with the BRLM.</p>
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/ Issue Period, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.



Term	Description
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, 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 authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the 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, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of UPI Mandate Request by the UPI Bidders to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidders 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.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), the Public Issue Account Bank(s), the Sponsor Bank(s) and the Refund Bank(s), as the case may be.
Basis of Allotment	The basis on which Equity Shares of face value of ₹10 each will be Allotted to successful Bidders under the Offer, as described in “ <i>Issue Procedure</i> ” beginning on page 395.
Bid	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares of face value of ₹10 each Bid for by such RIBs 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 the Bid in the Issue, as applicable.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares of face value of ₹10 each and in multiples of [●] Equity Shares of face value of ₹10 each thereafter.
Bid/Issue Closing Dates	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 published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with

Term	Description
	<p>wide circulation also Hindi being the regional language of Patna where registered office is situated.</p> <p>In case of any revisions, the extended Bid/Issue Closing Date shall also be notified on the websites and terminals of the Members of the Syndicate, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published and communicated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.</p>
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation also Hindi being the regional language of Patna where registered office is situated.
Bid/ Issue Period	<p>Except in relation to Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, 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.</p>
Bidder or Applicant	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 Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” or “BRLM”	The Book Running Lead Manager to the Issue i.e. Sarthi Capital Advisors Private Limited.
Broker Centers	Broker centers notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges.
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted. 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.
Circular on Streamlining of Public Issues”/ “UPI Circular	Circular CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no.

Term	Description
	(SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number 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 this regard.
Cash Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into between our Company, the BRLM, Syndicate Members, the Banker(s) to the Issue and Registrar to the Issue for, inter alia, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to Bidder's beneficiary account.
Collecting Depository Participant" or CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time and the UPI Circulars.
Cut-off Price	The Issue Price, finalized by our Company, in consultation with BRLM, which shall be any price within the Price Band.  Only RIBs Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and NIBs are not entitled to Bid at the Cut-off price.
Demographic Details	The 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, wherever applicable.
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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the

Term	Description
	case may be, to the Public Issue Account or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated Intermediary(ies)	<p>Collectively, the Syndicate Members, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue.</p> <p>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors with an application size of more than ₹5,00,000 (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs.</p>
Designated RTA Locations	Such locations of the RTAs where Bidders (except Anchor Investors) can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus” or DRHP	This Draft Red Herring Prospectus dated April 30, 2025 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 of face value of ₹10 each will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an issue / invitation under the issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares.
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account(s) to be opened with the Escrow Collection Bank(s) and in whose favor the Bidders (excluding ASBA Bidders) will transfer money through NACH/direct credit /NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended and with whom the Escrow Account(s) will be opened, in this case being [●].
First Bidder or Sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.

Term	Description
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document or GID	The General Information Document for investing in public issue, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, issued by SEBI 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	Gross proceeds of the Issue that will be available to our Company.
ISIN	International Securities Identification Number being, INE965W01036
Issue	Issue of up to 2,34,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] by our Company.
Issue Agreement	The agreement dated March 27, 2025 entered into amongst our Company, and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Price	<p>The final price at which Equity Shares which will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares of face value of ₹10 each will be Allotted to Anchor Investors at the Anchor Investor Issue Price which will be decided by our Company, in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.</p> <p>The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.</p>
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “Objects of the Issue” beginning on page 129.
Monitoring Agency	[●], being a credit rating agency registered with SEBI.
Monitoring Agency Agreement	Agreement to be entered into between our Company and the Monitoring Agency.
Mutual Fund Portion	5.00% 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 Issue Price.
Net Proceeds	Proceeds of the Issue, i.e., gross proceeds of the Issue less the Issue Expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see “Objects of the Issue” beginning on page 129.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
Non-Institutional Bidders Or NIBs	All Bidders, that are not QIBs (including Anchor Investors) or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Net Issue being not less than 15% of the Net Issue consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders, of which one-third shall be available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹10,00,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated

Term	Description
	to applicants in the other sub-category of Non-Institutional Bidders subject to valid Bids being received at or above the Issue Price.
“Non-Resident Indians” or “NRI(s)”	A Person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs.
Price Band	<p>Price band ranging from a minimum price of ₹[●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹[●] per Equity Share ₹10 each (i.e., the Cap Price) including any revisions thereof.</p> <p>The Price Band will be decided by our Company(through our Board of Directors), in consultation with the BRLMs, and the minimum Bid Lot will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper (Hindi being the regional language of Patna, Bihar), where our Registered and Corporate Office is located), each with wide circulation with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.</p>
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	The ‘no-lien’ and ‘non-interest bearing’ account to be opened with the Public Issue Account Bank, under Section 40(3) of the Companies Act to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The bank(s) which are a clearing member and registered with SEBI under the SEBI BTI Regulations, as a banker to an issue and with which the Public Issue Account will be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●].
QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers” or “QIB(s)” or “QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued by our Company in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Issue Closing Date.
Refund Account(s)	Account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Banker to the Issue with whom the Refund Account(s) will be opened, in this case being [●].



Term	Description
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of circular no. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI and the UPI Circulars.
Registrar Agreement	The agreement dated March 27, 2025 entered into, amongst our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the SEBI RTA Master Circular, as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and the UPI Circulars.
Registrar to the Issue or Registrar	Cameo Corporate Services Limited
Retail Individual Bidder(s) or RIB(s)	Individual Bidders, whose Bid Amount for the Equity Shares is not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs), and does not include NRIs other than Eligible NRIs.
Retail Portion	The portion of the Offer being not less than 35% of the Issue consisting of [●] Equity Shares of face value of ₹10 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Revision Form	<p>The forms used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable.</p> <p>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date.</p>
SCORES	SEBI Complaints Redress System, a centralized web based complaints redressal system launched by SEBI.
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The banks registered with SEBI, which offer the facility of ASBA services:</p> <ol style="list-style-type: none"> <li>In relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in as applicable and updated from time to time and at such other websites as may be prescribed by SEBI from time to time; and</li> <li>in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of at www.sebi.gov.in or such other website as may be prescribed by SEBI and updated from time to time.</li> </ol> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism, which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.</p>

<b>Term</b>	<b>Description</b>
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank(s)	Banker(s) to the Issue, appointed by our Company to act as conduits between the Stock Exchanges and NPCI in order to push the mandate collect requests and/ or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited
Syndicate or Members of the Syndicate	Together, the BRLM and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into between our Company, the BRLM, the Registrar to the Issue and the Syndicate Members, in relation to collection of Bid cum Application Forms by the Syndicate.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Member	Intermediary registered with the Board and who is permitted to accept bids, applications and place orders with respect to the issue and carry on the activity as an underwriter; namely, [●].
Underwriter	[●]
Underwriting Agreement	The agreement to be entered into between our Company and the Underwriters on or after the issue closing Date but prior to filing of the Prospectus with the RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as (i) RIBs in the Retail Portion, and (iii) NIBs with an application size of up to ₹500,000 in the Non- Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and RTAs.  Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 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 recognized 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 ID	ID created on the UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorize blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism that may be used by an UPI Bidders to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.

Term	Description
Willful Defaulter	Willful defaulter or fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/ Issue Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares of face value of ₹10 each on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI, including the UPI Circulars.

#### Technical, Industry and Business-Related Terms or Abbreviations

Term	Description
ASO	Area Sales Officer
BM	Business Manager
C&F Agent	Clearing and Forwarding Agent
CPVC	Chlorinated Polyvinyl Chloride
CR	Cold Rolled
CR Sheet	Colored Roofing Sheet
CSE	Customer Service Engineer
GC	Galvanized/Corrugated
GP	Galvanized Plain
HR	Hot Rolled
LSEM	Large Scale Electronics Manufacturing Sector
MTPA	Million Tonnes Per Annum
NSP	National Steel Policy
PEB	Pre-Engineered Buildings
PS	Principle Supplier
PVC	Polyvinyl Chloride
RDSO	Research Designs and Standards Organization
SKU	Stock Keeping Unit
TMT	Thermo Mechanically Treated Bars
TPA	Tonnes Per Annum
uPVC	Unplasticized Polyvinyl Chloride

#### Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
A/C	Account
Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
AGM	Annual General Meeting
AIF	Alternate Investment Fund
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.

Term	Description
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B. A	Bachelor of Arts
B. Com	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category I FPIs	FPIs who are registered as "Category I 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 Regulations.
CBDT	Central Board of Direct Taxes
CBFC	Central Board of Film Certification
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and/or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
COVID- 19	Novel Coronavirus, 2019
CS	Company Secretary
CSR	Corporate Social Responsibility
DB	Designated Branch
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DP or Depository Participant	A depository participant as defined under the Depositories Act
DB	Designated Branch
E-tax	Entertainment Tax
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.

Term	Description
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F. Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ Regulations/ Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “Our Management” beginning on page of 241 this Draft Red Herring Prospectus.
LLP	Limited Liability Partnership
Ltd.	Limited
MCA	Ministry of Corporate Affairs, Government of India
M&E	Indian Media & Entertainment
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MOU	Memorandum of Understanding
MNC	Multinational corporation
MSMEs	Micro, Small and Medium Enterprises
N/A or NA	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NDFC	National Film Development Corporation of India
NIFTY	National Stock Exchange Sensitive Index
NOC	Network Operation Centre
NECS	National Electronic Clearing Services

Term	Description
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, and all reserves created out of the profit [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.
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited.
NSDL	National Securities Depository Limited.
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit After Tax
Perpetual Rights	Titles over which we have complete ownership rights
PMLA	Prevention of Money Laundering Act
PMI	Purchasing Managers Index
PPP	Purchasing Power Parity
PML Rules	Prevention of Money Laundering Rules
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SD	Standard Definition
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
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, as amended
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.
SENSEX	Bombay Stock Exchange Sensitive Index
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.



<b>Term</b>	<b>Description</b>
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
SEBI (ICDR) Regulations/ Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI RTA Master Circular	The SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SME	Small and Medium Enterprise
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SSI	Small Scale Industry
SSI Undertaking	Small Scale Industrial Undertaking
SRB	Self-Regulatory Body
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited
Sq.	Square
Sq. Mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TV	Television
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UPI	Unified Payment Interface
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
VR	Virtual Reality
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references 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 in this Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the corresponding page numbers of this Draft Red Herring Prospectus. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in IST.

### **Financial Data**

Our Company’s Financial Year commences on April 1 and ends on March 31 of the next year. Unless stated otherwise, all references in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year are to the 12 months ended March 31 of such year.

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Information, which comprise the restated statement of assets and liabilities as at December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 and the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 the summary of material accounting policies, and other explanatory notes, prepared under Ind AS notified under Section 133 of the Companies Act, 2013, and in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. For further information, see “Summary of Financial Information”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 93, 271 and 330 respectively.

Financial information for the period ended December 31, 2024 may not be indicative of the financial results for the full year and are not comparable with financial information for the Fiscal 2024, Fiscal 2023 and Fiscal 2022.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “Risk Factors”- Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors’ assessments of our Company’s financial condition.” on chapter titled “Risk Factor” on page 36. The degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, all figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places. In certain instances, due to rounding off, (i) the sum or percentage change of such 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. However, where any figures that may have been sourced from third-party industry sources are rounded off to other

than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, or ratios as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 36, 200 and 330, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Financial Information.

## **Non-GAAP Measures**

Certain non-GAAP financial measures relating to our financial performance have been included in this Draft Red Herring Prospectus as 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 are not a standardized term and, therefore, a direct comparison of similarly titled Non-GAAP Measures 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, our Company’s management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company’s operating performance. See “*Risk Factors*”- Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors’ assessments of our Company’s financial condition on page 36.

## **Currency and Units of Presentation**

All references to:

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

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs and crores. One lakh represents “1 lakh” or 1,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All per share and percentage figures have been rounded off to one/ two decimal places. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal places as provided in such respective sources.

## **Exchange Rates**

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US\$:

(Amount in ₹)

Currency	Exchange Rate as at			
	December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1 US\$*	85.62	83.37	82.22	75.81

\*Source: www.rbi.org.in and www.fbil.org.in

In case the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been considered.

The reference rates are rounded off to two decimal places.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in “Industry Overview” and “Our Business” on pages 148 and 200, respectively, has been obtained or derived from the report titled “Assessment of Steel Industry in Bihar”, dated March, 2025, prepared by CRISIL Intelligence. . The CRISIL Report has been commissioned and paid for by our Company exclusively for the purposes of the Issue, pursuant to an engagement letter dated February 07, 2025 and is available on our Company’s website at [https://bmwventures.com/wp-content/uploads/2025/04/BMW-Ventures\\_27.03.2025.pdf](https://bmwventures.com/wp-content/uploads/2025/04/BMW-Ventures_27.03.2025.pdf) and has also been included in “Material Contracts and Documents for Inspection – Material Documents” on page 479. Further, CRISIL Intelligence vide their letter dated April 25, 2024 (“Letter”) has accorded their no objection and consent to use the CRISIL Report, in full or in part, in relation to the Issue. Further, CRISIL Intelligence, vide their Letter has confirmed that they are an independent agency, and confirmed that they are not related to our Company, our Directors, our Promoter, KMPs, Senior Management or the Book Running Lead Managers. For further details in relation to risks involving in this regard, see chapter titled Risk Factors on page 36.

## 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). Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. 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. BMW Ventures 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 its regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced/extracted in any form without CRISIL’s prior written approval.”*

For further details in relation to risks involving the industry, see “Risk Factor No. 42- We operate in a competitive and fragmented industry with low barriers to entry and may be unable to compete with a range of unorganized sector” on page 36 of this Draft Red Herring Prospectus.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies, and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in chapter titled “Risk Factors” on page 36 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CRISIL Report which may differ in certain respects from our Restated Financial Information as a result of, inter alia, the methodologies used in compiling such data. Accordingly, investment decision should not be made based on such information.

In accordance with the SEBI ICDR Regulations, we have included in the chapter “Basis for Issue Price” on page 139, information pertaining to the peer company of our Company. Such information has been derived from publicly available data of the peer company. Accordingly, no investment decision should be made solely on the basis of such information. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in “Risk Factors” beginning on page 36 of this Draft Red Herring Prospectus.

#### **Notice to Prospective Investors in the United States**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the issue, including the merits and risks involved.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the U.S. Securities Act (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the “U.S. Investment Company Act”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons within the United States or to or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), who are both (a) “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“Rule 144A”) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in one or more transactions exempt from the registration requirements of the U.S. Securities Act; and (b) “qualified purchasers” (as defined in Section 2(a)(51) of the U.S. Investment Company Act and referred to in this Prospectus as “QPs”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act, and (ii) outside the United States, to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions” in reliance on Regulation under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. See “Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions” on page 379.

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.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “objective”, “plan”, “propose”, “project”, “will”, “seek to”, “strive to”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that may vary, some or all of which could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this DRHP that are not statements of historical fact are ‘forward-looking statements’.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations and assumptions include, but are not limited to, the following:

- 1) We derived 98.57%, 98.29%, 98.22% and 96.42% of our revenue from operation from Bihar during the nine-month period December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Further, all of our manufacturing/fabrication facilities and stockyards are located in Bihar. Adverse developments, social and political developments and natural disaster affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
- 2) We derive a 98.27%, 97.56%, 98.10% and 97.38% of our revenue from the distribution of long and flat steel products for the period December 31, 2024 and for the fiscal 2024, Fiscal 2023 and Fiscal 2022 and loss of sales due to reduction in demand for such products would have a material adverse effect on our business, financial condition, results of operations and cash flows.
- 3) We are dependent on certain suppliers for whom we are either distributors or have entered into formal agreements with, for procurement and sale of our steel and tractor products. Our revenue from steel products for the period ending December 31, 2024, and the fiscal years 2024, 2023, and 2022 was 98.27%, 97.56%, 98.10%, and 97.38% of total revenue, respectively. Revenue from tractor and spare part distribution was 0.67%, 0.89%, 1.24%, and 2.07% of total revenue. Any disruption of supply from such entities may affect our business operations
- 4) Under-utilization of our fabrication and manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance.
- 5) Our business and profitability are dependent on the cost of steel. For the periods ending December 31, 2024, and the fiscal years 2024, 2023, and 2022, the cost of raw materials consumed was 90.43%, 91.35%, 92.70%, and 91.43% of revenue from operations. Any disruption in the timely supply of steel or fluctuations in its prices could negatively affect our business, operations, cash flow, and financial condition.
- 6) We derive 99.34%, 99.70%, 99.23% and 99.06% of our revenue for the period ended December 31, 2024 and for the Fiscal 2024, 2023 and 2022 from repeat orders which we identify as orders placed by dealers. Any loss of, or a reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.



For details regarding factors that could cause the actual results to differ from the expectations, please refer to the chapter titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 36, 200 and 330 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Certain information in “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 148, 200 and 330, respectively of this Draft Red Herring Prospectus has been obtained from the CRISIL Report.

We cannot assure Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Forward-looking statements reflect the current views of our Company as of the date of this DRHP and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions which in turn are based on currently available information. Although 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. Our Company, our Directors, BRLM or any of their respective affiliates or advisors do not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company and the BRLM will ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares of face value of ₹10 each allotted pursuant to the Issue.

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## SUMMARY OF THE ISSUE DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue”, “Financial Information”, “Objects of the Issue”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Outstanding Litigation and Material Developments” on pages 36, 200, 148, 105, 91, 271, 129, 330 and 357 respectively of this Draft Red Herring Prospectus.

### Summary of Primary Business of our Company

Our company is engaged in the trading and distribution of steel products, tractor engines, and spare parts, as well as the manufacturing of PVC pipes and roll-forming of GP sheets under the Blue Diamond brand. We also fabricate Pre-Engineered Buildings (PEB) and steel girders. With a strong distribution network across 29 of Bihar’s 38 districts, we serve over 1,250 dealers. Our product range includes long steel products (TMT bars, galvanized wires, structural hollow sections), flat steel products (GC, GP, HR, CR sheets and coils), and other items like Agrico tools and residential/commercial doors and windows.

### Summary of Industry (Source: CRISIL Report)

India’s domestic steel demand grew at a 7% CAGR from FY2018 to FY2024, despite a pandemic-induced dip of 5.3% in FY2021. The sector rebounded strongly in FY2022 with 11.4% growth, driven by revived industrial activity and pent-up demand. By FY2024, steel demand increased to 136.3 MT from 100.2 MT in FY2020, largely due to growth in end-use sectors like automobiles, infrastructure, and construction. Looking forward, demand is projected to increase at an 8%–10% CAGR, reaching 216–240 MT by FY2030. Key demand drivers will continue to be building and construction, infrastructure, and packaging, with B&C holding the largest share. (Source: CRISIL Report)

For further details see the section titled “Our Industry” on page 148.

### Our Promoters

#### Individual Promoters

Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria, Nitin Kishorepuria and Rachna Kishorepuria

#### Corporate Promoters

BMW Fin-Invest Private Limited and Ridhisidhi Fincon Private Limited.

For further details, see the section titled “Our Promoters and Promoter Group” on page 260.

### The Issue Size

Issue of up to 2,34,00,000 Equity Shares of face value ₹10 each for cash at price of ₹[•] per Equity Share of face value of ₹10 each (including a premium of ₹[•] per Equity Share of face value of ₹10 each), aggregating to ₹[•]. For further details, see “The Issue” and “Issue Structure” on pages 91 and 392 respectively.

The Issue shall constitute 26.98% of the post-Issue Paid-up Equity Share capital of our Company. For further details, see “The Issue” and “Issue Structure” on pages 91 and 392, respectively.

The Issue is subject to finalization of the Basis of Allotment. The Issue has been authorized by a resolution of our Board dated March 25, 2025 and has been approved by a Special Resolution dated March 27, 2025 passed by our Shareholders.

## Objects of the Issue

The Net Proceeds are proposed to be utilized towards the following objects:

(₹ in Lakhs)

Particulars	Estimated amount
Repayment/pre-payment, in full or in part, of certain Outstanding borrowings availed by our Company	17,375.00
General Corporate Purposes <sup>*#</sup>	[●]
<b>Net Proceeds</b>	<b>[●]</b>

\*To be determined upon finalization of the Issue Price and updated in the Prospectus at the time of filing with the RoC.

#The amount to be utilized for General Corporate Purposes shall not exceed 25% of the Gross Proceeds, in accordance with the SEBI ICDR Regulations.

For further details, see the section titled “Objects of the Issue” on page 129.

## Aggregate Pre-Issue and Post-Issue shareholding of our Promoters, the members of our Promoter Group:

The aggregate Pre-Issue and Post-Issue shareholding of our Promoters, the members of our Promoter Group as a percentage of the Pre-Issue Paid-up Equity Share capital and Post-Issue Paid-up Equity Share capital of our Company, respectively, as on the date of this Draft Red Herring Prospectus is set out below:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share of capital	No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share capital
A. Promoters:					
1.	Nitin Kishorepuria	1,75,97,200	27.79%	1,75,97,200	20.29%
2.	Sabita Devi Kishorepuria	57,98,200	9.16%	57,98,200	6.69%
3.	Rachna Kishorepuria	44,64,000	7.05%	44,64,000	5.15%
4.	Bijay Kumar Kishorepuria	39,66,600	6.26%	39,66,600	4.57%
5.	BMW Fin-Invest Private Limited	2,43,82,600	38.51%	2,43,82,600	28.12%
6.	Ridhisidhi Fincon Private Limited	55,35,000	8.74%	55,35,000	6.38%
Total (A)		6,17,43,600	97.52%	6,17,43,600	71.20%
B. Promoters Group:					
1.	Nupur Singhania	11,37,600	1.80%	11,37,600	1.31%
2.	Nitin Kishorepuria HUF	2,62,800	0.42%	2,62,800	0.30%
3.	Bijay Kumar Kishorepuria (HUF)	1,71,000	0.27%	1,71,000	0.20%
Total (B)		15,71,400	2.48%	15,71,400	1.81%
Total (A+B)		6,33,15,000	100.00%	6,33,15,000	73.02%

For further details, see section titled “Capital Structure” on page 105

## Aggregate Pre-Issue shareholding of our Promoters, our Promoter Group and the additional Top 10 Shareholders

The aggregate Pre-Issue shareholding of our Promoters, our Promoter Group and the additional top 10 Shareholders as a percentage of the Pre-Issue Paid-up Equity Share capital of our Company is set out below:

As a percentage of the Pre-Issue Paid up Equity Share Capital of our Company is set out below:							
Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue shareholding as at Allotment <sup>(2)</sup>			
		No. of Equity shares^	Percentage of total pre-Issue paid up Equity Share capital on a fully diluted basis	At the lower end of the Price Band (₹ ● )		At the upper end of the Price Band (₹ ● )	
				No. of Equity Shares of face value ₹ 10 each held on a fully diluted basis <sup>(1)</sup>	% of total post-Office paid up Equity Share capital on a fully diluted basis <sup>(1)</sup>	% of total post-Issue paid up Equity Share capital on a fully diluted basis <sup>#(1)</sup>	% of total post-Issue paid up Equity Share capital on a fully diluted basis <sup>(1)</sup>
Promoters							

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue shareholding as at Allotment <sup>(2)</sup>			
		No. of Equity shares <sup>^</sup>	Percentage of total pre-Issue paid up Equity Share capital on a fully diluted basis	At the lower end of the Price Band (₹ ● )		At the upper end of the Price Band (₹ ● )	
				No. of Equity Shares of face value ₹ 10 each held on a fully diluted basis <sup>(1)</sup>	% of total post-Offer paid up Equity Share capital on a fully diluted basis <sup>(1)</sup>	% of total post-Issue paid up Equity Share capital on a fully diluted basis <sup>(1)</sup>	% of total post-Issue paid up Equity Share capital on a fully diluted basis <sup>(1)</sup>
1.	Nitin Kishorepuria	1,75,97,200	27.79%	●	●	●	●
2.	Sabita Devi Kishorepuria	57,98,200	9.16%	●	●	●	●
3.	Rachna Kishorepuria	44,64,000	7.05%	●	●	●	●
4.	Bijay Kumar Kishorepuria	39,66,600	6.26%	●	●	●	●
5.	BMW Fin-Invest Private Limited	2,43,82,600	38.51%	●	●	●	●
6.	Ridhisidhi Fincon Private Limited	55,35,000	8.74%	●	●	●	●
<b>Total (A)</b>		<b>6,17,43,600</b>	<b>97.52%</b>	●	●	●	●
<b>Promoter Group</b>							
1.	Nupur Singhania	11,37,600	1.80%	●	●	●	●
2.	Nitin Kishorepuria HUF	2,62,800	0.42%	●	●	●	●
3.	Bijay Kumar Kishorepuria (HUF)	1,71,000	0.27%	●	●	●	●
<b>Total (B)</b>		<b>15,71,400</b>	<b>2.48%</b>	●	●	●	●
<b>Additional top 10 shareholder<sup>#</sup></b>							
1.	●	●	●	●	●	●	●
2.	●	●	●	●	●	●	●
3.	●	●	●	●	●	●	●
4.	●	●	●	●	●	●	●
5.	●	●	●	●	●	●	●
6.	●	●	●	●	●	●	●
7.	●	●	●	●	●	●	●
8.	●	●	●	●	●	●	●
9.	●	●	●	●	●	●	●
10.	●	●	●	●	●	●	●
<b>Total (C)</b>		●	●	●	●	●	●
<b>Total (A+B+C)</b>		●	●	●	●	●	●

# Details in relation to the top 10 shareholders will be provided at the time of Red Herring Prospectus and the Prospectus.

(1) To be updated upon finalization of Price Band.

For further details, see “Capital Structure” on page 105.

#### Summary of Restated Financial Information:

The details of certain financial information as set out under the SEBI ICDR Regulations for the period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023, and Fiscal 2022 as derived from the Restated Financial Information are set forth below:

(figures in Lakhs except stated otherwise)

Particulars	Period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity share capital	6,331.50	6,331.50	1,582.88	1,582.88
Net worth <sup>(1)</sup>	20,850.81	18,670.81	15,647.70	12,431.62
Revenue from operations	1,47,717.92	1,93,819.63	2,01,509.72	1,56,358.80
EBITDA <sup>(2)</sup>	6,310.13	7,255.66	6,784.59	6,414.71
EBITDA Margin (%) <sup>(3)</sup>	4.27%	3.74%	3.37%	4.10%
Profit/(Loss) for the year/period	2,186.66	2,993.54	3,265.86	3,194.01

Particulars	Period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
PAT Margin (%) <sup>(4)</sup>	1.48%	1.54%	1.62%	2.04%
Basic (₹) <sup>(5)</sup>	3.45	4.73	5.16	5.04
Diluted (₹) <sup>(5)</sup>	3.45	4.73	5.16	5.04
Net Asset Value per Equity Share of face value of ₹10 each <sup>(6)</sup>	32.93	29.49	24.71	19.63
Total borrowings	44,072.17	39,529.66	28,358.44	16,328.59
Short Term Borrowing	3,422.06	4,503.96	4,145.49	2,529.30
Long Term Borrowings	40,650.12	35,025.70	24,212.95	13,799.29

Notes:

<sup>(1)</sup> Equity Share Capital + Reserves and Surplus

<sup>(2)</sup> EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.

<sup>(3)</sup> EBITA Margin is an indicator use to measure the efficiency of company to generate operating profits

<sup>(4)</sup> PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.

<sup>(5)</sup> Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares of face value of ₹10 each outstanding at the end of the period/ year. Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares of face value of ₹10 each outstanding at the end of the period/year for diluted EPS.

<sup>(6)</sup> NAV (book value per share) = Total shareholders' funds divided by number of shares outstanding as end of financial year/Stub period.

For further details, see the section titled “Restated Financial Information” on page 271.

#### Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information:

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

#### Summary of Outstanding Litigations:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in Lakh)
<b>Company</b>						
By our Company	14	-	-	-	1	0.60
Against our Company	-	4	-	-	-	8.35
<b>Directors</b>						
By our Directors	-	-	-	-	2	39.32
Against our Directors	-	3	-	-	-	39.45
<b>Promoters</b>						
By our Promoters	11	-	-	-	2	39.32
Against our Promoters	-	3	-	1	-	39.45
<b>Key Managerial Personnel</b>						
Against our KMPs	-	-	-	-	-	-
<b>Senior Management</b>						
Against our SMPs	-	-	-	-	-	-

<sup>#</sup>Determined in accordance with the Materiality Policy.

<sup>\*</sup>To the extent quantifiable.

For further details, see the section titled “Outstanding Litigation and Material Developments” on page 357

## **Risk Factors:**

The following are the top 10 (Ten) risk factors affecting the Company:

- 1) We derived 98.57%, 98.29%, 98.22% and 96.42% of our revenue from operation from Bihar during the nine-month period December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Further, all of our manufacturing/fabrication facilities and stockyards are located in Bihar. any adverse developments, social and political developments and natural disaster affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
- 2) We derive a substantial portion of our revenue from the distribution of long and flat steel products and loss of sales due to reduction in demand for such products would have a material adverse effect on our business, financial condition, results of operations and cash flows.
- 3) We are dependent on certain suppliers for whom we are either distributors or have entered into formal agreements with, for procurement and sale of our steel and tractor products. Any disruption of supply from such entities may affect our business operations.
- 4) Under-utilization of our fabrication and manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance.
- 5) We have had negative cash flows in the past and it is possible that we may experience negative cash flows in the future.
- 6) We sell our products as well as products of third-party manufacturers through a network of dealers. Accordingly, we depend on our dealers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.
- 7) We derive 99.34%, 99.70%, 99.23% and 99.06% of our revenue for the period ended December 31, 2024 and for the Fiscal 2024, 2023 and 2022 from repeat orders which we identify as orders placed by dealers. Any loss of, or reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.
- 8) We derive 99.34%, 99.70%, 99.23% and 99.06% of our revenue for the period ended December 31, 2024 and for the Fiscal 2024, 2023 and 2022 from repeat orders which we identify as orders placed by dealers. Any loss of, or reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.
- 9) Our business and profitability is substantially dependent on cost of steel, disruption to the timely and adequate supply of steel, or volatility in the prices of steel may adversely impact our business, results of operations, cash flows and financial condition.
- 10) We have a limited operating history in offering services under our Fabrication Division which may make it difficult for investors to evaluate our fabrication business and prospects.

Specific attention of Bidders is invited to the section titled “Risk Factors” on page 36. Bidders are advised to read the Risk Factors carefully before taking an investment decision in the Issue.



**Summary of Contingent Liabilities:**

The following is a summary table of our contingent liabilities, as indicated in the Restated Financial Information:

(₹ in Lakhs)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bank Guarantees issued by the Company's Bankers on behalf of the Company in Favor of TISCO & John Deere India Private Limited	-	-	-	100.00
The Company has given Comfort Letter for BMW Enterprises for Credit Facility to Bandhan Bank, Patna.	-	-	3,000.00	2,400.00
The Company has given Corporate Guarantee for BMW Enterprises for Credit Facility to Punjab National Bank, Patna	5,745.00	5,745.00	-	-
The Company has given Corporate Bank Guarantee for BMW Logistics Private Limited for Credit Facility to Punjab National Bank, Patna	-	-	-	1,500.00
<b>Total</b>	<b>5,745.00</b>	<b>5,745.00</b>	<b>3,000.00</b>	<b>4,000.00</b>

For further details, see "Restated Financial Information-Notes to Restated Financial Information-Note 38-Contingent liabilities" on page 311.

**Summary of Related Party Transactions and Balances:**

The summary of related party transactions entered into by us for the Period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 as derived from the Restated Financial Information are as set out in the table below:

**Period ended December 31, 2024:**

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	90.00	-	-
	Rent Paid	109.59	-	-
	Prepaid Rent	32.94		
Nitin Kishorepuria	Remuneration/Salary	108.00	-	-
	Rent Paid	151.36	-	-
	Prepaid Rent	40.69		
Rachna Kishorepuria	Rent Paid	39.90	-	-
	Prepaid Rent	10.72		
	Remuneration	45.00	-	-
Sabita Devi Kishorepuria	Rent Paid	81.17	-	-
	Prepaid Rent	21.82		
Bijay Kumar Kishorepuria (HUF)	Rent Paid	8.20	-	-
BMW Enterprise	Sales	-	-	3,310.87
	Storage,Bending, Loading & Unloading charges	-	-	102.91
	Material Received	-	-	74.75
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	146.33
BMW Logistics Private Limited	Transportation Charges	-	-	883.41

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
	Sales	-	-	0.56
Jagdamba Value Steels Private Limited	Rent Paid	-	-	31.86
Mediversal Healthcare Private Limited	Medical Expenses	-	-	0.53
BMW Hardware & Steel	Sales	-	-	336.78
	Storage,Bending, Loading charges Received	-	-	17.30
BMW Vyapar Private Limited	Sales	-	-	257.69
	Purchase	-	-	72.91
<b>Total</b>		<b>739.40</b>	<b>-</b>	<b>5,235.91</b>

## Fiscal 2024

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	112.95	-	-
	Loan Taken	240.00	-	-
	Interest Paid	4.30	-	-
	Loan Repaid	240.00	-	-
Nitin Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	139.50	-	-
Rachna Kishorepuria	Rent Paid	36.77	-	-
Sabita Devi Kishorepuria	Rent Paid	81.89	-	-
	Loan Taken	30.00	-	-
	Loan Repaid	30.00	-	-
	Interest Paid	1.12	-	-
Ruchika Maheshwari Kejriwal	Remuneration/Salary	6.05	-	-
Birendra Kumar	Remuneration/Salary	10.80	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	10.48	-
BMW Enterprise	Sales	-	-	3,448.23
	Purchase	-	-	202.49
	Storage,Bending, Loading & Unloading charges	-	-	167.97
	Material Received	-	-	302.49
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	292.16
	Rent Received	-	-	2.34
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	1,034.44
	Sales	-	-	0.59
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.28
	Loan Taken	-	-	85.00
	Loan Repaid	-	-	85.00
	Interest Paid	-	-	0.75
	Rent Paid	-	-	42.48

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Jagdamba Value Steels Private Limited	Establishment Charges Received	-	-	0.28
	Material Transfer	-	-	20.62
BMW Project Private Limited	Establishment Charges	-	-	0.14
Rachna Heights Private Limited	Establishment Charges	-	-	0.28
Nupur Heights Private Limited	Establishment Charges	-	-	0.28
Mediversal Healthcare Private Limited	Medical Expenses	-	-	11.00
BMW Hardware & Steel	Capital Contribution	-	-	30.50
	Sales	-	-	282.64
	Establishment Charges Received	-	-	0.14
	Storage,Bending, Loading charges Received	-	-	9.45
	Purchase	-	-	3.67
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.28
JBT Realty LLP	Loan Given	-	-	536.51
	Loan Repaid	-	-	536.51
	Interest Received	-	-	11.23
BMW Vyapar Private Limited	Sales	-	-	412.46
	Purchase	-	-	221.86
<b>Total</b>		<b>1,173.39</b>	<b>10.48</b>	<b>7,743.16</b>

### Fiscal 2023

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	94.13	-	-
Nitin Kishorepuria	Remuneration/Salary	80.00	-	-
	Rent Paid	116.25	-	-
Rachna Kishorepuria	Rent Paid	30.64	-	-
	Remuneration	20.00	-	-
Sabita Devi Kishorepuria	Rent Paid	26.94	-	-
Rahul Kumar	Remuneration/Salary	7.52	-	-
Birendra Kumar	Remuneration/Salary	10.68	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	9.60	-
BMW Enterprise	Sales	-	-	2,220.17
	Storage, Bending, Loading & Unloading charges	-	-	180.54
	Purchase	-	-	9.87
	Purchase of Machinery	-	-	3.07
	Discount Given / Credit Note	-	-	8.04
Jai Basukinath Traders Private Limited	Storage, Bending, Loading & Unloading charges	-	-	426.72

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
	Rent Received	-	-	13.26
	Sales	-	-	2.63
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	929.72
	Sales	-	-	0.51
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Paid	-	-	42.48
	Establishment Charges Received	-	-	0.35
	Service Bill Received (Purnea Godown Rent Paid)	-	-	2.34
BMW Project Private Limited	Establishment Charges	-	-	0.21
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35
Mediversal Healthcare Private Limited	Advance	-	-	2.14
BMW Hardware & Steel	Advance	-	-	68.16
	Sales	-	-	43.81
	Establishment Charges Received	-	-	0.14
	Storage, Bending, Loading charges Received	-	-	3.00
	Purchase	-	-	6.66
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
	Unsecured Loan Received	-	-	250.00
	Unsecured Loan Paid	-	-	250.00
	Interest Paid	-	-	5.15
BMW Height Private Limited	Establishment Charges	-	-	0.14
<b>Total</b>		<b>506.15</b>	<b>9.60</b>	<b>4,471.60</b>

## Fiscal 2022

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	96.00	-	-
	Loan Taken	225.00	-	-
	Loan Received	225.00	-	-
	Interest Paid	8.71	-	-
	Rent Paid	75.30	-	-
Nitin Kishorepuria	Loan Taken	161.00	-	-
	Loan Repaid	161.00	-	-
	Interest Paid	2.88	-	-
	Rent Paid	93.00	-	-
Rachna Kishorepuria	Rent	24.51	-	-
	Loan Taken	75.00	-	-

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
	Loan Repaid	75.00	-	-
	Interest Paid	4.28	-	-
	Remuneration	48.00	-	-
Sabita Devi Kishorepuria	Loan Taken	250.00	-	-
	Loan Repaid	250.00	-	-
	Interest Paid	11.29	-	-
	Rent	21.55	-	-
Rahul Kumar	Remuneration/Salary	6.27	-	-
Birendra Kumar	Remuneration/Salary	8.19	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	9.60	-
Rajkumar Kishorepuria	Salary	-	10.75	-
Nupur Singhania	Loan Taken	-	40.00	-
	Loan Repaid	-	40.00	-
	Interest Paid	-	2.87	-
BMW Enterprise	Sales	-	-	643.98
	Storage, Bending, Loading charges	-	-	142.45
	Purchase	-	-	6.23
Jai Basukinath Traders Private Limited	Storage, Bending, Loading charges	-	-	357.56
	Rent Received	-	-	14.16
	Discount Given / Credit Note	-	-	30.82
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	740.25
	Sales	-	-	0.32
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Received	-	-	5.61
	Establishment Charges	-	-	0.35
	Service Bill (Purnea Godown Rent Paid)	-	-	42.48
	Security Deposit (Received partly)	-	-	20.00
BMW Project Private Limited	Establishment Charges	-	-	0.35
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35
Mediversal Healthcare Private Limited	Medical Treatment of Staff	-	-	5.86
BMW Hardware & Steel	Sales	-	-	49.27
	Establishment Charges	-	-	0.14
	Storage, Bending, Loading charges	-	-	2.90
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
<b>Total</b>		<b>1,821.99</b>	<b>103.22</b>	<b>2,065.21</b>

**Detail of Outstanding Balances are as follows:**

**As on December 31, 2024**

(₹ in Lakhs)

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	(7.00)	-	-
Nitin Kishorepuria	(8.40)	-	-
BMW Enterprise	-	-	(29.74)
Jai Basukinath Traders Private Limited	-	-	(3.68)
BMW Logistics Private Limited	-	-	(207.17)
Jagdamba Value Steels Private Limited	-	-	(3.24)
BMW Hardware & Steel	-	-	191.07
BMW Vyapar Private Limited	-	-	0.54
<b>Total</b>	<b>(15.40)</b>	<b>-</b>	<b>(52.23)</b>

**Fiscal 2024**

(₹ in Lakhs)

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Enterprise (A Unit of Jai Basukinath Traders Private Limited)	-	-	36.27
BMW Logistics Private Limited	-	-	(249.41)
Jagdamba Value Steels Private Limited	-	-	433.00
BMW Hardware & Steel	-	-	137.37
<b>Total</b>	<b>-</b>	<b>-</b>	<b>357.23</b>

**Fiscal 2023**

(₹ in Lakhs)

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Logistics Private Limited	-	-	(74.42)
Jagdamba Value Steels Private Limited	-	-	450.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>375.58</b>

**Fiscal 2022**

(₹ in Lakhs)

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Rajkumar Kishorepuria	-	10.75	-
BMW Enterprise (A Unit of Jai Basukinath Traders Pvt Ltd)	-	-	(96.02)
Jai Basukinath Traders Pvt Ltd	-	-	(52.07)
BMW Logistics pvt ltd	-	-	(141.92)
Jagdamba Value Steels Pvt Ltd	-	-	450.00
BMW Hardware & Steel	-	-	95.61
<b>Total</b>	<b>-</b>	<b>10.75</b>	<b>255.60</b>

For details of the related party transactions, as per the requirements under Ind AS 24 'Related Party Disclosures' and as reported in the Restated Financial Information, see "Restated Financial Information-Note 41: Related Party Transactions" on page 271.



**Financing Arrangements:**

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under Companies Act, 2013) have financed the purchase by any other person of securities of our Company during a preceding six months immediately preceding the date of this Draft Red Herring Prospectus.

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

The weighted average price at which the Equity Shares of face value of ₹10 each were acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is set forth below:

Name of Promoter	Number of Equity Shares of face value of ₹10 each acquired in the last one year	Weighted average price of acquisition per Equity Share(₹)*
Nitin Kishorepuria	1,31,97,900	Nil
Sabita Devi Kishorepuria	43,48,650	Nil
Rachna Kishorepuria	33,48,000	Nil
Bijay Kumar Kishorepuria	29,74,950	Nil
BMW Fin-Invest Private Limited	1,82,86,950	Nil
Ridhisidhi Fincon Private Limited	41,51,250	Nil

\*As certified by A D V & Associates, Chartered Accountants, pursuant to their certificate dated March 28, 2025.

Note: All the above Equity Shares are allotted pursuant to Bonus Issue.

**Average cost of acquisition of Equity Shares of face value of ₹10 each by our Promoters:**

The average cost of acquisition of Equity Shares of face value of ₹10 each by our Promoters as at the date of this Draft Red Herring Prospectus is set forth below:

Name of Promoter	Number of Equity Shares of face value of ₹10 each held	Average cost of acquisition per Equity Share of face value of ₹10 each*
Nitin Kishorepuria	1,75,97,200	1.62
Sabita Devi Kishorepuria	57,98,200	15.58
Rachna Kishorepuria	44,64,000	11.58
Bijay Kumar Kishorepuria	39,66,600	7.15
BMW Fin-Invest Private Limited	2,43,82,600	0.68
Ridhisidhi Fincon Private Limited	55,35,000	2.00

\*As certified by A D V & Associates, Chartered Accountants, pursuant to their certificate dated March 28, 2025

**Weighted average cost of all Equity Shares transacted in the 3 years, 18 months and 1 year preceding the date of this Draft Red Herring Prospectus:**

Period	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition^	Range of acquisition price per Equity Share of face value of ₹10 each: lowest price – highest price (in ₹)*
Last 1 year and 18 months preceding the date of Draft Red this Prospectus	0.13	[•]	00-99
Last 3 years preceding the date of this Draft Red Herring Prospectus	3.60	[•]	61-99

^ To be updated in prospectus

\*As certified by A D V & Associates, Chartered Accountants, pursuant to their certificate dated March 28, 2025

**Details of the price at which specified securities were acquired in the last three years immediately preceding the date of this Draft Red Herring Prospectus by our Promoters:**

Except as stated below, there have been no Equity Shares that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of the Promoter Group:

Name of the Person	Date of Acquisition	Number of Equity Shares	Nature of Acquisition	Acquisition price per Equity Share (in ₹)	Consideration (In ₹)
Bijay Kumar Kishorepuria	March 20, 2024	29,74,950	Bonus <sup>(1)</sup>	Nil	-
Sabita Devi Kishorepuria	March 20, 2024	43,48,650	Bonus <sup>(2)</sup>	Nil	-
Nitin Kishorepuria	February 12, 2024	28,00,000	Gift <sup>(3)</sup>	Nil	-
	March 20, 2024	1,31,97,900	Bonus <sup>(4)</sup>	Nil	-
Rachna Kishorepuria	March 20, 2024	33,48,000	Bonus <sup>(5)</sup>	Nil	-
BMW Fin-Invest Private Limited	March 20, 2024	1,82,86,950	Bonus <sup>(6)</sup>	Nil	-
Ridhisidhi Fincon Private Limited	March 20, 2024	41,51,250	Bonus <sup>(7)</sup>	Nil	-

<sup>(1)</sup> Bonus Issue in the Ratio of 1:3

<sup>(2)</sup> Bonus Issue in the Ratio of 1:3

<sup>(3)</sup> Transfer of 20,00,000 Equity shares from Bijay Kumar Kishorepuria and 8,00,000 Equity shares from Sabita Devi Kishorepuria as Gift.

<sup>(4)</sup> Bonus Issue in the Ratio of 1:3

<sup>(5)</sup> Bonus Issue in the Ratio of 1:3

<sup>(6)</sup> Bonus Issue in the Ratio of 1:3

<sup>(7)</sup> Bonus Issue in the Ratio of 1:3

For further details, see section titled “Capital Structure” on page 105

**Note:** *There are no other shareholders with a right to nominate Directors or any other right*

**Details of Pre-IPO placement:**

Our Company is not contemplating a pre-IPO placement till the listing of the Equity Shares.

**Issue of Equity Shares of face value of ₹10 each of our Company for consideration other than cash in the last one year:**

Our Company has not issued any Equity Shares of Face Value of ₹10 each for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

**Split or consolidation of Equity Shares of face value of ₹10 each 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 the Securities and Exchange Board of India:**

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

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## SECTION II-RISK FACTORS

*An investment in the 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 the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 148, 200 and 330 of this Draft Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from a report titled “Assessment of steel industry in Bihar” released in March 2025 prepared by CRISIL Market Intelligence & Analytics (“CRISIL”). The CRISIL Report has been commissioned and paid for by our Company exclusively for the purposes of the Issue, pursuant to an engagement letter dated February 08, 2025 and is available on our Company’s website at [bmwventures.com](http://bmwventures.com) and has also been included in “Material Contracts and Documents for Inspection – Material Documents” on page 479. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, all 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 financial year. Also see, “Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data” on page 17.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 21 of this Draft Red Herring Prospectus.*

*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. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.*

*Materiality:*

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

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to BMW Ventures Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

## INTERNAL RISK FACTORS

### Business Related Risks

- 1) We derived 98.57%, 98.29%, 98.22% and 96.42% of our revenue from operation from Bihar during the nine-month period December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Further, all of our manufacturing/fabrication facilities and stockyards are located in Bihar. Any adverse developments, social and political developments and natural disaster affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

The table sets forth below show revenue earned by our Company by offering services in various states as a percentage of revenue from operations during the period indicated:

(figures in lakhs except stated otherwise)

Particulars	As on December 31, 2024	% of Revenue from operations	Fiscal 2024	% of Revenue from operations	Fiscal 2023	% of Revenue from operations	Fiscal 2022	% of Revenue from operations
Bihar	1,45,598.27	98.57%	1,90,507.49	98.29%	1,97,929.13	98.22%	1,50,763.84	96.42%
Gujarat	656.93	0.44%	617.13	0.32%	193.66	0.10%	646.11	0.41%
Madhya Pradesh	442.43	0.30%	488.52	0.25%	70.95	0.04%	126.90	0.08%
Odisha	367.75	0.25%	22.58	0.01%	47.93	0.02%	196.83	0.13%
Jharkhand	216.76	0.15%	100.76	0.05%	919.39	0.46%	1,922.39	1.23%
Haryana	102.32	0.07%	45.11	0.02%	-	-	-	-
Uttar Pradesh	75.68	0.05%	133.93	0.07%	31.24	0.02%	7.95	0.01%
West Bengal	51.85	0.04%	611.56	0.32%	2,198.47	1.09%	1,807.87	1.16%
Telangana	47.87	0.03%	244.16	0.13%	17.03	0.01%	0.17	Negligible
Puducherry	43.88	0.03%	-	-	-	-	-	0.00%
Maharashtra	40.03	0.03%	62.91	0.03%	-	-	651.43	0.42%
Assam	37.12	0.03%	260.99	0.13%	-	-	-	-
Tamil Nadu	18.96	0.01%	101.80	0.05%	1.58	Negligible	195.14	0.12%
Andhra Pradesh	14.73	0.01%	-	-	-	-	-	-
Delhi	3.32	Negligible	11.20	0.01%	-	-	5.10	Negligible
Karnataka	-	-	579.28	0.30%	-	-	13.13	0.01%
Punjab	-	-	27.46	0.01%	100.35	0.05%	21.93	0.01%
Tripura	-	-	4.75	Negligible	-	-	-	-
<b>Total</b>	<b>1,47,717.92</b>	<b>100.00%</b>	<b>1,93,819.63</b>	<b>100.00%</b>	<b>2,01,509.72</b>	<b>100.00%</b>	<b>1,56,358.80</b>	<b>100.00%</b>

As per current trend, we derive most of our revenue from the state of Bihar. Any changes in the requirement policy or a decline in demand in the state of Bihar, could adversely affect our ability to grow or maintain our sales, earnings, and cash flow.

Further, all of our manufacturing/fabrication facilities and stockyards are located in Bihar. Our business operations are therefore exposed to any deterioration in the economic, social and/or political conditions as well as changes in the relevant government policies in the state of Bihar. In the event of any adverse changes in the economic and social conditions or government policies in this state our financial position and performance may be materially and adversely affected.

**2) We derive a substantial portion of our revenue from the distribution of long and flat steel products and loss of sales due to reduction in demand for such products would have a material adverse effect on our business, financial condition, results of operations and cash flows.**

Our Company is the distributor of long and flat steel products of one of the leading steel and allied products manufacturer (“**Primary Supplier**”), in 29 districts out of total 38 districts in Bihar. In addition to above, our Company is also engaged in the business of (i) Distribution of Tractor Engines; (ii) Fabrication of Pre-Engineered Buildings (iii) Fabrication of Steel Girders; and (iv) Manufacturing of PVC pipes. We rely heavily on revenue generated from the distribution of long and flat steel products of the Primary Supplier.

Additionally, we largely depend on our dealers for further distributing long and flat steel products to end use customers in the districts in which we operate. In the event, we are unable to retain our existing dealers or identify or appoint new dealers, our revenue from the distribution segment may decline, leading to adverse effect our financial condition, cash flows, and results of operations. While we have not experienced any material decline in our revenue from distribution services in the last three Fiscals and for the period ended December 31, 2024, however there is no assurance that we will not face any such decline in sale of our products in the future.

Below are the details of revenue generated from operations in the past three fiscals/ period and for the period ended December 31, 2024;

*(figures in lakhs except stated otherwise)*

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Distribution of Steel Product</b>				
Revenue	1,45,157.75	1,89,097.38	1,97,675.80	1,52,259.68
as % of Revenue from Operations	98.27%	97.56%	98.10%	97.38%
<b>Distribution of Tractor Engine</b>				
Revenue	994.35	1,724.10	2,506.28	3,240.95
as % of Revenue from Operations	0.67%	0.89%	1.24%	2.07%
<b>Manufacturing</b>				
<b>PVC Pipes</b>				
Revenue	65.47	159.52	341.31	241.53
as % of Revenue from Operations	0.04%	0.08%	0.17%	0.15%
<b>Roll Forming (GP Sheet Blue Diamond)</b>				
Revenue	95.01	261.43	381.65	182.24
as % of Revenue from Operations	0.06%	0.13%	0.19%	0.12%
<b>Fabrication</b>				
<b>Pre-Engineered Buildings</b>				
Revenue	538.56	1,118.47	98.76	-
as % of Revenue from Operations	0.36%	0.58%	0.05%	0.00%
<b>Steel Girders</b>				
Revenue	-	500.32	-	-
as % of Revenue from Operations	0.00%	0.26%	0.00%	0.00%
<b>Others</b>	866.79	958.41	505.92	434.40

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
as % of Revenue from Operations	0.59%	0.49%	0.25%	0.28%
<b>Total</b>	<b>1,47,717.92</b>	<b>1,93,819.63</b>	<b>2,01,509.72</b>	<b>1,56,358.80</b>

Note:

1. Pre-Engineered Building business commenced from November 2022
2. Steel Girders Building business commenced from July 2023
3. Company has not booked any revenue for period ended December 2024, since the client has not taken the delivery of steel girders.

A shift in customer practices towards direct procurement from manufacturers could negatively impact our business. Additionally, if competitors enhance their procurement and distribution efficiency, they might offer similar products at competitive prices. While the aforementioned changes haven't occurred in the past, however upon occurrence of any such events, our Company may be unable to adequately react to such developments which may affect our revenues and profitability.

Further, our success relies on expanding distribution services and investing in our Fabrication Division. Any failure to successfully distribute and market our products and services could adversely affect our business, financial condition, cash flows and results from operations.

**3) We are dependent on certain suppliers for whom we are either distributors or have entered into formal agreements with, for procurement and sale of our steel and tractor products. Any disruption of supply from such entities may affect our business operations.**

Our revenue relies on third-party manufactures for whom we are distributor for procurement and sale of our steel and tractor products. Our revenue from steel products was ₹1,45,157.75 lakhs, ₹1,89,097.38 lakhs, ₹1,97,675.80 lakhs and ₹1,52,259.68 lakhs during the period ended December 31, 2024 and during the fiscal 2024, fiscal 2023 and fiscal 2022 respectively which aggregates to 98.27%, 97.56%, 98.10% and 97.38% of our total revenue from operations.

Further, our revenue from distribution of tractor and spare parts was ₹994.35 lakhs ₹1,724.10 lakhs, ₹2,506.28 lakhs and ₹3,240.95 lakhs during the period ended December 31, 2024 and during the fiscal 2024, fiscal 2023 and fiscal 2022 respectively which aggregates to 0.67%, 0.89%, 1.24% and 2.07% of our total revenue from operations respectively.

Any decrease in demand for these products could impact our sales and performance. Further, we have agreements with third-party manufacturers that outlines our operations, including sales and payment terms. If we fail to meet these terms, third party manufacturers could terminate the agreement. While such incident has not occurred in the past, however, any decrease in demand for their products or termination of agreement could impact our sales and performance. Our contracts are time-limited and are subject to renewal, we are currently negotiating the renewal of an agreement that expired on March 31, 2025. Any decrease in the demand of the product or non-renewal of the agreement may result in an adverse impact on our business, results of operation and financial conditions.

**4) Under-utilization of our fabrication and manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance.**

The success of any capacity investment and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand and the demand and supply balance of our products in the principal and target markets. In particular, the level of our capacity utilization can impact our operating results. Capacity utilization is also affected by our product mix and the demand and supply balance. As certified by M/s. Bhartia & Associates, Independent Chartered Engineers vide their certificate dated March 17, 2025. Our breakup of the capacity utilization in each of our



manufacturing/fabrication units for the period indicated has been provided below:

Period	Fabrication Division – Steel Grider		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	12,000	Nil	0.00%
Fiscal 2024	12,000	2,525	28.06%
Fiscal 2023	-	-	-
Fiscal 2022	-	-	-

- Company Started Steel Girders business in July 2023 and therefore the production utilization % is calculated on proportionate basis,

Period	Fabrication Division – Pre-engineered Building (PEB)		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	12,000	2,136	23.73%
Fiscal 2024	12,000	1,512	12.60%
Fiscal 2023	6,000	128	5.11%
Fiscal 2022	-	-	-

- Company Started PEB business in November 2022 and therefore the production utilization % is calculated on proportionate basis.
- In FY 2024, the company produced 1,512 tons of its own contract.
- For the period of December 2024, Out of the total production of 2,136 Tons, the company produced 711 tons under its direct contract and 1,425 Tons for other players through the conversion model.

Period	Manufacturing – Roll Forming		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	3,000	97	4.31%
Fiscal 2024	3,000	1,090	36.33%
Fiscal 2023	3,000	1,530	50.99%
Fiscal 2022	3,000	175	23.33%

- The Company started roll forming operation in January 2022 and therefor so production utilization % is calculated on proportionate basis, Company utilized its capacity to produce 175 Ton of its own product Blue Diamond.
- In Fiscal 2023, the company produced 367 tons of Blue Diamond and completed conversion work for other brand, Tata Bluescope of 1163 Tons
- In Fiscal 2024, the company produced 254 ton of Blue Diamond and carried out conversion work of tata Bluescope of 836 Ton.
- In Fiscal 2024, the company produced 97 ton of Blue Diamond.

Period	Manufacturing of PVC Pipes		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	800	59	7.38%
Fiscal 2024	800	138	17.25%
Fiscal 2023	800	288	36.00%
Fiscal 2022	800	198	24.75%

For further information, see “Our Business - Capacity and Capacity Utilization” on page 200 of this Draft Red Herring Prospectus.

These capacity utilization details are not indicative of future capacity utilization rates, which are dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency.

Under-utilization of our manufacturing and fabrication capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at our manufacturing and fabrication facilities, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by us. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing/ fabrication facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

## 5) We have had negative cash flows in the past and it is possible that we may experience negative cash flows in

the future.

The following table sets forth certain information relating to our cash flows on a basis for the periods indicated.

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Cash Flow from Operating Activities	161.83	(5,304.89)	(8,093.76)	3,956.27
Net Cash Flow from Investing Activities	(1,765.65)	(2,651.17)	(2,120.35)	(2,508.26)
Net Cash Flow from Financing Activities	1,683.65	7,980.98	9,982.21	(2,789.46)

In fiscal 2024, net cash used in operating activities was ₹5,304.89 lakhs resulted from primarily increase in current assets by ₹14,151.51 lakhs which was partially offset by increase in current liabilities by ₹2,565.01 lakhs.

In Fiscal 2023, Net cash used in operating activities was ₹8,093.76 lakhs resulted from primarily increase in current assets by ₹11,845.36 lakhs, also decrease in current liabilities by ₹1,843.96 lakhs has translated to negative cash flows.

Net cash used in investing activities was of ₹1,765.65 lakhs, ₹2,651.17 lakhs, ₹2,120.35 lakhs and ₹2,508.26 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. This was primarily on account of Purchase of Property Plant and Equipment of ₹1,817.72 lakhs, ₹2,697.93 lakhs, ₹2,108.84 lakhs and ₹2,585.65 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

Net Cash Flow used in Financing Activities for fiscal 2022 was ₹2,789.46 lakhs, this was primarily driven by net repayment of borrowings by ₹753.76 lakhs and interest payment of ₹1,642.09 lakhs.

Negative cash flows over extended periods, or negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows” on page 330.

- 6) **We sell our products as well as products of third-party manufacturers through a network of dealers. Accordingly, we depend on our dealers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.**

Our Company has created a distribution network in Bihar that consisted of 1,279 dealers and distributors as on December 31, 2024. Our dealers sell the products of our third party manufacturers as well as the PVC pipes manufactured by our Company under the brand name ‘BMW Polytube’. For further details, see “Our Business” on page 200. Following is a breakup of the number of dealers in our distribution network as on December 31, 2024 and as on Fiscal, 2024, Fiscal, 2023 and Fiscal, 2022:

Particulars	December 31, 2024	Fiscal, 2024	Fiscal, 2023	Fiscal, 2022
Number of Dealers	1,279	1,251	1,122	967

Our Area Sales Officers (ASO) are appointed to manage relationships with dealers. Dealers communicate their Stock Keeping unit (SKU) wise requirements to the ASO, who then forwards the request to the Business Manager (BM) for approval.

BM confirm the order after checking dues of that specific dealers, if dues are in within credit terms, orders are sent to warehouse for delivery along with e-way bill and a taxable invoice. Post receipt of delivery dealers makes the payment as per credit terms.

Our dealers account for a substantial portion of our sales and consequently of our revenue, and we expect that such key intermediaries will continue to represent a substantial portion of our revenue from sale of products in the

foreseeable future. The revenue earned by our Company from our dealers as on December 31, 2024 and during the Fiscal, 2024, Fiscal, 2023 and Fiscal, 2022 have been provided below:

Particulars	As on December 31, 2024		Fiscal, 2024		Fiscal, 2023		Fiscal, 2022	
	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations
Revenue from dealers	1,46,738.63	99.34%	1,93,247.02	99.70%	1,99,955.86	99.23%	1,54,894.77	99.06%

Our business is dependent on our ability to attract and retain third-party dealers and such parties' ability to promote, sell and market our products effectively. Our inability to maintain a stable distribution network and to attract new dealers to our distribution network in the future could adversely affect our business, financial condition and results of operations. Further, while we continuously seek to increase the penetration of our products and the products of our third party manufacturers by appointing new dealers targeted at different markets and geographies, we cannot assure you that we will be able to successfully identify or appoint new dealers, or effectively manage our existing distribution network. If our competitors offer more favorable terms to our dealers than those offered by us, such dealers and distributors may decline to distribute our products and the products of our third party manufacturers and terminate their arrangements with us or they may focus on selling our competitors' products. In addition, our competitors may have exclusive arrangements with other dealers which may restrict us from selling our products through them, thereby limiting our ability to expand our network. If we are unable to expand or effectively manage our distribution network, it could have an adverse effect on our business, financial condition and results of operations. There have been no material instances in the period ended December 31, 2024 and the last three Fiscals, wherein the arrangements with our dealers were terminated on account of competitive factors, delay or default in payment and failure to meet sales targets, we cannot assure you that our arrangements with our dealers will not be terminated in the future or that we will be able to replace our outgoing dealers with additional dealers, in a timely and effective manner.

We do not have long-term agreements with our dealers and rely on purchase orders to govern the price and other terms of sale of our products. Purchase orders may be amended or cancelled prior to finalization, and should such an amendment or cancellation take place, it may impact our inventories. While, we offer benefits to our dealers engaged with us for marketing and selling of TMT bars, for maintaining exclusive relations with us, however due to the lack of long term agreements, and in the absence of any exclusivity arrangements with us, our dealers are not contractually bound to provide us a specific volume of business and can terminate our relationship with or without cause, with little or no advance notice and without compensation. Consequently, there is no commitment on the part of dealers to continue to place new orders with us and our sales may fluctuate from period to period as a result of changes in our distributors' preferences, and we may be unable to procure repeat orders. For the aforesaid reasons, we also lack control over any sub-dealers, and in certain cases, over the retailers of our products. Cancellation by dealers, reduction in their orders or instances where anticipated orders fail to materialize can result in mismatches between our inventories, thereby increasing our costs relating to inventory maintenance and reduction of our margins, which may adversely affect our profitability and liquidity. There have been instances in the period ended December 31, 2024 and the last three Fiscals, wherein orders placed by dealers were cancelled or where the orders placed did not materialize. Further, if we are unable to retain our dealers or exercise control over them, our performance in accordance with our agreements with our third-party manufacturers may be adversely impacted, which may lead to termination of our agreements, which may adversely affect our profitability and business operations.

- 7) We derive 99.34%, 99.70%, 99.23% and 99.06% of our revenue for the period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 from repeat orders which we identify as orders placed by dealers. Any loss of, or 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 repeat orders from our dealers which we identify as orders placed by dealers, who have placed orders with our Company previously. Set forth below is our revenue from such dealers for the period ended December 31, 2024 and in the Fiscal, 2024, Fiscal, 2023 and Fiscal, 2022:

Particulars	As on December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations
Revenue from repeat orders	1,46,738.63	99.34%	1,93,247.02	99.70%	1,99,955.86	99.23%	1,54,894.77	99.06%

We dependent heavily on repeat orders. While in past we have not lost any of our repeat customers/Dealers. However, the loss of any our repeat customers/Dealers for any reason including, limitation to meet any urgent demand, failure to address issues with quality of products, or disputes with a customer/dealer; adverse changes in the financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship, change in business practices of our dealers) could have a material adverse effect on our business, results of operations, financial condition and cash flows.

**8) Our business and profitability is substantially dependent on cost of steel, disruption to the timely and adequate supply of steel, or volatility in the prices of steel may adversely impact our business, results of operations, cash flows and financial condition.**

We are engaged in distribution of long and flat steel products and tractor engines. We are also engaged in offering fabrication services in relation to Pre-Engineered Buildings and Steel Girders under our Fabrication Division; and manufacturing of PVC pipes.

The table below provides cost of long and flat steel products and raw materials consumed from suppliers as a percentage of our total expenses and revenue from operations in the years/ period indicated:

As on December 31, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
Cost of steel products and raw materials consumed (₹ lakhs)	Perc enta ge of Total Expe nses	Perc enta ge e of Reve nue from Oper ation	Cost of steel products and raw material s consume d (₹ lakhs)	Per cent age of Tot al Exp ens es	Perc enta ge e of Reve nue from Oper ation	Cost of steel products and raw material s consume d (₹ lakhs)	Perc enta ge of Total Expe nses	Perc enta ge of Reve nue from Oper ation	Cost of steel products and raw material s consume d (₹ lakhs)	Perc enta ge of Total Expe nses	Perc enta ge of Reve nue from Ope ratio n
1,33,575.67	92.15 %	90.43 %	1,77,052.44	93.10 %	91.35 %	1,86,792.45	94.58 %	92.70 %	1,42,952.43	93.8 %	91.43 %

We may experience volatility in the cost or availability of steel. While our arrangements with Dealers/customers allow us to seek an upward revision in pricing, our cash flows may still be adversely affected because of any gap in time between the date of procurement of those primary raw materials and date on which we can reset the prices for our customers/Dealers, to account for the increase in the prices of such raw materials. In case of the products distributed by us, in the event we purchase the products at a higher price from our third party manufacturers and thereafter at the time of sale of such product, there occurs a downward revision in the prices of such products, we may have to sell the procured products at a loss, which may have an adverse effect on the margin earned by us, our business and results of operations. Our ability to pass through steel costs or otherwise mitigate these cost increases could adversely affect our business.

From time to time, commodity prices may also fall rapidly which may cause periodic supply interruptions. Any increase in prices of steel could have an impact on our working capital as we would require additional funds to procure the necessary steel at the higher prices. As a result, we may be required to allocate a larger portion of our working capital towards purchasing raw materials and long and flat steel products to maintain our production and distribution levels. This increased allocation towards purchase or steel can potentially strain our working capital availability.

Further, our arrangements with third party manufactures bind us to provide minimum orders in a designated period of time. Additionally, we are also required to make advance payment for the products purchased from our third party manufactures. In the event, there is an increase in the prices of steel and steel products, as part of our arrangements, we would be bound to place orders with third party manufacturers, at prices which are quoted by them. Further, in the event on lack of demand or decision of end users to halt procurement of steel in anticipation of correction of prices, could delay the return on the products procured by us. A reduction in the demand, development and production activities in the steel industry, may correspondingly cause a decline in the demand for our products and the products of third party manufactures. Our failure to effectively react to these situations may adversely affect our business, prospects, results of operations and financial condition.

**9) We have a limited operating history in offering services under our Fabrication Division which may make it difficult for investors to evaluate our fabrication business and prospects.**

Our Company had commenced offering fabrication services under the Fabrication Division in 2023, by providing fabrication services in respect of pre-engineered buildings and steel girders. Set forth below is our revenue earned by our Company from its Fabrication Division in the period ended December 31, 2024 and in the Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	As on December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations	(₹ in lakhs)	% of our revenue from operations
Revenue from Pre-Engineered Buildings <sup>^</sup>	538.56	0.36%	1,118.47	0.58%	98.76	0.05%	-	-
Revenue from steel girders	- <sup>#</sup>	- <sup>#</sup>	500.32	0.26%	-	-	-	-

<sup>#</sup>Since the delivery of orders has not been taken by the customer, company has not booked any revenue for the period ended December 2024.

<sup>^</sup>Pre-Engineered Building business commenced from November 2022

Further, the table set forth below is the expenses incurred, return on Investment (RoI) on Pre-Engineered Buildings & Steel Girders for the period ended December 31, 2024 and for the Fiscal 2024 and Fiscal 2023:

**PEB (Started in November 2022)**

(₹ in lakhs)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023
Revenue (Fabrication + Conversion)	851.99	1,118.47	98.76
Total Expenses	709.28	971.15	79.38
EBITDA	142.71	147.32	19.38

**Steel Girder (Started in July 2023)**

(₹ in lakhs)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023
Revenue (Fabrication + Conversion)	-	816.67	-
Total Expenses	-	704.93	-
EBITDA	-	111.74	-

**ROI Calculation**

(Rs. in lakhs)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023
Combined EBITDA (PEB +Steel Girders)	142.72	259.06	19.38
Depreciation	52.98	54.77	7.81
Interest	-	-	-
PBT	89.74	204.29	11.57
Tax	22.59	51.42	2.91
PAT	67.15	152.87	8.66
Net Tangible Assets	1196.93	1,167.97	547.89
RoI	5.61%	13.09%	1.58%*

*Note: Since PEB and Steel Girder shares common machinery and cranes, RoI of individual segment cannot be calculated. Hence RoI calculation is done combining the Profitability of Both the businesses considering Investments in tangible assets being common.*

*\*Does not include steel girder as it commenced in July 2023*

Further, the following table set forth the total no. of orders received along with completion status of the same

#### **PEB Order book**

<b>(in Metric tons)</b>			
<b>Particulars</b>	<b>Order Booked</b>	<b>Executed</b>	<b>Balance to Execute</b>
Period ended December 31, 2024	2,391	2,316	565
Fiscal 2024	1,679	1,512	310
Fiscal 2023	271	128	143

#### **Steel Girder Order book**

<b>(in Metric tons)</b>			
<b>Particulars</b>	<b>Order Booked</b>	<b>Executed</b>	<b>Balance to Execute</b>
Period ended December 31, 2024	1,650	Nil	1,831
Fiscal 2024	2,174	1,993	181

#### **Rational for venturing into Pre-Engineered Buildings, Steel Girders and PVC lines**

The company is a distributor of steel products in Bihar which has built a strong brand with a diverse product portfolio that includes Hot Rolled Sheets & Coils and structural steel, supported by an extensive distribution network. Leveraging its expertise in the steel industry, the company expanded into related sectors to further enhance its capabilities. Below are the key reasons for its diversification:

##### **Entry into Pre-Engineered buildings (PEB):**

Recognizing the increasing demand for pre-fabricated engineering solutions, especially in Bihar's industrial and warehousing sectors, the company ventured into the PEB market. HR plates, the key raw material for PEBs, are already part of the company's product portfolio.

##### **Diversification into Steel Girder Manufacturing:**

With experience in handling steel products like Hot Rolled Sheets & Coils and structural steel, both essential materials for steel girders, the company saw steel girder manufacturing as a natural progression. This move was further encouraged by increased railway budget allocations, which have driven demand for steel girders.

##### **Entry into PVC:**

Having a strong distribution network, the company identified an opportunity in the PVC market and launched its own PVC line. The rising demand for high-quality PVC products provided a strong foundation for this diversification, enabling the company to grow its own brand while utilizing its established distribution channels to increase market penetration.

We have very limited operating history of operating in offering services under our Fabrication Division. Due to our limited operating history, the investors may not be able to evaluate our business, future prospects and viability. Further, on account of our operating history, we may not have sufficient experience to address the risks relating to providing the aforementioned services. Additionally, at an early stage, we may not be able identify risks involved in such operations and therefore could fail to achieve timely fulfillment of orders and the quality requirements of our services. While, we have sufficient orders for execution in our service segment, we cannot assure you that we shall be able to execute the orders in a timely manner, without raising any product/service liability claims. Our order book as at December 31, 2024, in respect of our Fabrication Division has been provided below:



### **Fabrication Division**

#### ***Pre-engineered buildings:***

Sr. No.	Details of the contract	Nature of Work	Contract value (₹ in lakhs)	Completed/ Ongoing
1.	Fabricating & Supply of Pre-Engineered Building	Material to be fabricated as per the fabrication drawing with zero quality defect, application of primer, painting & dispatching the material to site.	852.00	Completed
2.		Material to be fabricated as per the fabrication drawing with zero quality defect, application of primer, painting & dispatching the material to site.	231.75	Ongoing

- For the period of December 2024 Out of the total production of 2,136 Tons, the company produced 711 tons (Amount 538.56 lakh) under its direct contract and 1,425 Tons (313.44 Lakh) for other players through the conversion model.
- Balance 255 MT to be executed under direct Contract.

#### ***Steel Girders:***

Sr. No.	Details of the contract	Nature of Work	Contract value (₹ in lakhs)	Completed/ Ongoing
1	Fabricating & Supply of Steel Girders	Material to be fabricated as per the RDSO approved drawing with zero quality defect, Blasting, Metalizing & Painting, fixing of Stud and dispatching the material to site.	Nil	Completed
2.		Material to be fabricated as per the RDSO approved drawing with zero quality defect, Blasting, Metalizing & Painting, fixing of Stud and dispatching the material to site.	495.00	Ongoing

- Balance 1650 MT to be executed under direct conversion model.

Our Fabrication Division is a new division for our Company, in which it holds very limited operating history, therefore it could be difficult for us to understand the nuances of fabricating such structures and offering optimum services at such an early stage. We may face difficulty in understanding the demand and supply patterns, customer trends, supply chain mechanisms, marketing segments, *etc.*, which may pose a risk for smooth operations of our Company. In the event, we fail to understand the market operations and the risks relating to the same, our business, results of operations and financial conditions may be impacted.

- 10) We depend on a few key suppliers who help us procure raw materials in respect of our PVC pipes division and our Fabrication Division. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.**

As also we are engaged in offering fabrication services in respect of pre-engineered buildings and steel girders under our Fabrication Division; and manufacturing of PVC pipes. In respect of the aforementioned products and services, we are dependent on a few raw materials, including but not limited to steel plates and coils. We procure these raw materials from domestic manufacturers. The table below provides cost of raw materials consumed as a percentage of our total expenses in the years/period indicated:

Period ended December 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
Cost of raw materials consumed (₹ lakhs)	Percentage of Total Expenses	Cost of raw materials consumed (₹ lakhs)	Percentage of Total Expenses	Cost of raw materials consumed (₹ lakhs)	Percentage of Total Expenses	Cost of raw materials consumed (₹ lakhs)	Percentage of Total Expenses
25.36	0.02%	82.53	0.04%	271.99	0.14%	188.30	12%

We depend on a limited number of suppliers for procurement of raw materials required for manufacturing our products and for providing fabrication services. Our Company maintains a list of suppliers from whom we procure the materials on order basis as per our internal demand projections. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers.

Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us. While, the aforementioned events have not occurred in the period ended December 31, 2024 and the last three Fiscals, occurrence of any such events could adversely impact our business, results and financial condition.

Further, the number of raw materials procured and the price, at which we procure such materials, may fluctuate from time to time. In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to the excipient industry in general. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Further, we also cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective raw materials, we may not be in a position to recover any advance payments made or claim compensation from our suppliers consequently increasing the manufacturing costs and/or reducing the realization of our finished products. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition. While, the aforementioned events have not occurred in the period ended December 31, 2024 and the last three Fiscals, occurrence of any such events could adversely impact our business, results and financial condition.

**11) Our Company has been subjected to search and seizure in the past by the Income Tax authorities. Any future occurrence of such events or instances of passing of any adverse orders against our Company, could adversely affect our business, results of operations and financial conditions.**

A search and seizure was conducted under Section 132 of the Income Tax Act, 1961, on an unrelated group, namely Kanodia Group, on October 26, 2015 with which our promoter i.e Bijay Kumar Kishorepuria had undertaken transactions (holds 1,600 Equity shares of Silver Infrabuild Private Limited, in which Anand Kanodia is the Director). On account of the transactions with the said group by the Promoter, a search and seizure was conducted on our Company as well. Pursuant to the search and seizure, a notice under Section 153C of the Income Tax Act, 1961 was issued on March 17, 2017 to our Company. Our Company filed written submission on March 17, 2017. Documents produced by our Company during assessment proceedings, were perused by Assistant Commissioner of Income-tax, Central Circle-3, Patna, and it was determined that the income reported by our Company in its income tax returns was adequate. Subsequently, demand notices for the Assessment Years, 2010-2011, 2011-2012, 2012-2013, 2014-2015, 2015-2016 and 2016-2017, stating that 'Nil' amount is required to be paid by our Company for the aforementioned years, in respect of the search and seizure. Accordingly, no action was taken against our Company in the aforementioned matter and as of date the matter is closed.

**12) We may not be able to adequately protect or continue to use our intellectual property. In addition, the use of our brands or similar trade names by third parties could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.**

We currently sell our products in Bihar through a network of dealers, who further distribute our products to the end-use customers. We sell our own products i.e. PVC Pipes under brand label "BMW Polytube". The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. 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.

In particular, the use of “BMW” or similar trade names by third parties may result in confusion among our customers and we are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including spurious or imitation or look-alike products. Our Company has not entered into any agreement with our dealers restricting them from using the term ‘BMW’. Any imitation or spurious products or any negative publicity about any other entities or dealers who pass off their products under our brand name may not only result in loss of sales but also adversely affect the reputation of our brand and consequently our future sales and results of operations.

**13) Our Directors, Promoters, members of our Promoter Group and Group Company, have extended personal guarantees and corporate guarantees with respect to loan facilities availed by our Company. Further, Promoters, members of our Promoter Group, our Directors and Group Companies have provided their property as collateral security for loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such property may adversely affect our business operations and financial condition.**

Our Promoters and our Directors, Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria, Nitin Kishorepuria, Rachna Kishorepuria and Our Corporate Promoter BMW Fin-Invest Private Limited (Corporate Guarantee) have provided personal guarantees for the loans availed by our Company from various lenders. Further, our Group Company Jagdamba Value Steel Private Limited, our Promoters and Directors, Bijay Kumar Kishorepuria, Nitin Kishorepuria, Rachna Kishorepuria and our Promoter Group entity, Bijay Kumar Kishorepuria (HUF) have provided their personal property as collateral security for loan facilities availed by our Company. The details of the personal guarantees and corporate guarantees extended have been provided below:

(₹ in lakhs)

Sr. No.	Name of the lender	Name of the Promoter/Promoter Group/ Director/ Group Company	Name of the facility	Amount of guarantee
1)	HDFC Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Loan Against Property (Property in the name of Jagdamba Value Steel Private Limited)	3,372.00
2)	HDFC Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Loan Against Property (Property in the name of Jagdamba Value Steel Private Limited)	1426.50
3)	PNB	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Working Capital Term Loan under Guaranteed Emergency Credit Line	1,270.00
4)	PNB	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Working Capital Term Loan under Guaranteed Emergency Credit Line	635.00
5)	AXIS	Bijay Kumar Kishorepuria Nitin Kishorepuria	Term Loan	829.78
6)	ICICI	Bijay Kumar Kishorepuria Nitin Kishorepuria	Term Loan	220.00
7)	PNB	Bijay Kumar Kishorepuria Nitin Kishorepuria	Vehicle Loan	81.00
8)	HDFC	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Cash Credit Including WCDL	13,500.00
9)	PNB	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Cash Credit Including WCDL	16,000.00

Sr. No.	Name of the lender	Name of the Promoter/Promoter Group/ Director/ Group Company	Name of the facility	Amount of guarantee
		BMW Fin-Invest Private Limited		
10)	Tata Capital	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance for purchase of inventory from Primary Distributors	2,000.00
11)	Axis Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance to meet working capital requirements	1,000.00
12)	Yes Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance to meet working capital requirements	1,000.00
13)	Federal Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance OD-EDFS Dealer Finance for Primary Distributor	1,000.00
14)	DBS Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance as Dealer Finance Facility	1,000.00
15)	Standard Chartered Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance to meet working capital requirements	1,500.00
16)	ICICI Bank	Bijay Kumar Kishorepuria Nitin Kishorepuria Sabita Devi Kishorepuria Rachna Kishorepuria	Channel Finance to meet working capital requirements	1,000.00
<b>Total</b>				<b>45,834.28</b>

*For details, please refer to the chapter titled - “Financial Indebtedness” on page 355 of this Draft Red Herring Prospectus.*

In the event any of these guarantees are revoked or the properties provided as collateral security are withdrawn, our lenders may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees or provide an alternate collateral security in a timely manner or at all. If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details, please refer to the chapter titled — “Financial Indebtedness” on page 355 of this Draft Red Herring Prospectus.

**14) Our Promoters and members of the Promoter Group have previously received administrative warnings and directives from SEBI. Should any Promoter or member of the Promoter Group receive a show cause notice from any regulatory authority, it could potentially impact the reputation of the Company.**

Our Promoter, Sabita Devi Kishorepuria, has received an administrative warning letter from the Securities and Exchange Board of India (“SEBI”), referenced as SEBI/HO/IVD/ID16/AJ/VS/P/OW/2022/5266/1, dated February 9, 2022. It was observed by SEBI that the transaction with Topmost Distributors Private Limited does not conform to the provisions of Spot Delivery Contract as mentioned in Section 2(i) read with sections 13, 16 & 18 of the Securities Contracts (Regulation) Act, 1956 read with SEBI Notification G.S.R 184 (E) dated March 1, 2000. Further, it was advised by SEBI to be careful in future to avoid recurrence of such instances, failing which action may be initiated in the future in accordance with the provisions of Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 and rules and regulations framed there under.

Similarly, our Promoter i.e Nitin Kishorepuria and the Promoter Group entity i.e Nitin Kumar Kishorepuria HUF received a similar administrative warning letter from SEBI. Although the original letter sent to them is currently

misplaced despite our best efforts to trace it. Nitin Kishorepuria and Nitin Kishorepuria HUF pursuant to their affidavits each dated July 19, 2024 have confirmed the contents of the letter dated February 9, 2022 received from SEBI.

Furthermore, members of our Promoter Group, i.e Pramod Kumar Kishorepuria and Raj Kumar Kishorepuria, were previously barred by SEBI from participating in the capital market for five years, starting March 31, 2007. This action was taken due to allegations of price manipulation involving shares of Padmini Technologies Limited and claimed associations with Ketan Parikh and his entities. Pramod Kumar Kishorepuria appealed against this decision to the Securities Appellate Tribunal (SAT), which overturned SEBI's order on October 17, 2007 (Order SAT/Tech/132/2007/752).

**15) Our Company has extended corporate guarantee with respect to loan facilities availed by our Promoter Group entity, M/s. BMW Enterprises. Any defaults committed by our Promoter Group entity may adversely affect our business operations and financial condition.**

Our Company and our Group Company, Jai Basukinath Traders Private Limited have extended corporate guarantee in favor of Punjab National Bank with respect to the loan facilities availed by our Promoter Group entity, M/s. BMW Enterprises. The details of the loan secured by way of corporate Guarantee by our Company have been provided below:

(₹ in lakhs)

Nature of Facility	Amount of the Facility	Amount secured by way of Corporate Guarantee	Amount outstanding as at December 31, 2024
Cash Credit	5,500	5,500	5449.56
GECL	245.00	245.00	0.00

Our Company and our Group Company, Jai Basukinath Traders Private Limited has executed an agreement of guarantee dated March 15, 2023 with Punjab National Bank which require our Company and our Group Company to obtain prior approval for events including but not limited to, making any amendment to constitutional documents which could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), assets, prospects, operations or business of the guarantors, or on the ability of Guarantor to perform and comply with its obligations under this Agreement, or on the validity, legality or enforceability of, or on the rights or remedies of the lender; or entering into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of any substantial part of its assets, etc.

The table sets forth the details of key financial metrics of the promoter group entity:

**Jai Basukinath Traders Private Limited**

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue	35,796.41	37,735.54	35,451.37
Total Expense	35,092.76	36,975.99	34,652.97
Profit After Tax	513.16	514.94	578.89
Net Worth	5,384.40	4,871.24	4,356.30
Borrowings (long term and short term)	5,844.65	4,881.62	4,604.00
PAT Margin	1.43%	1.36%	1.63%
RoE	9.53%	10.57%	13.29%

**M/s BMW Enterprise**

(₹ in lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue	35,016.28	35,635.61	33,985.84
Total Expense	34,290.23	34,852.07	33,315.56
Profit After Tax	726.05	783.54	670.27
Net Worth	3,863.87	3,324.88	2,841.07
Borrowings (long term and short term)	5,044.66	4,873.62	4,599.44

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
PAT Margin	2.07%	2.20%	1.97%
RoE	18.79%	23.57%	23.59%

In the event the business and operations of our Promoter Group entity deteriorates and if it commits a default in payment of principal or interest due to the bank, the corporate guarantee extended by our Company may get invoked. On the occurrence of any of the above-mentioned situations, the Bank might demand repayment of the outstanding amounts under the said facilities sanctioned to our Promoter Group entity. In the event, we are unable to repay the outstanding amount in a timely manner or at all, the Bank may enforce the restrictive covenants or consequences of defaults which in turn may affect our further borrowing abilities thereby adversely affecting our business and operations. While, the events mentioned above have not occurred in the period ended December 31, 2024 and the last three Fiscals, however occurrence of any such instances in the future may affect our business, results of operations and financial condition. For further details, please refer to the chapter titled-“Financial Indebtedness” on page 355 of this Draft Red Herring Prospectus.

**16) A downgrade in our credit rating could adversely affect our ability to raise capital in the future.**

Our Company has received “CRISIL BBB+/Stable” credit rating from CRISIL Limited. The details of the recent credit rating obtained by our Company have been provided below:

Particulars	August 30, 2024	
	Long Term Instruments	Short Term Instruments
Rating	BBB+/Stable	
Rating Agency	CRISIL Ratings Limited	

Our credit ratings, which are intended to measure our ability to meet our debt obligations, are a significant factor in determining our finance costs. The interest rates of certain of our borrowings may be dependent on our credit ratings. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, results of operations, financial condition, cash flows and future prospects.

**17) Our success depends upon our ability to attract, develop and retain trained manpower while also maintaining low labour costs.**

Our third party manufactures and customers/Dealers expect a high-quality standard of our products and services. To meet the needs and expectations of our third party manufactures and customers/Dealers, we must attract, train and retain a number of qualified employees, dealers and skilled as well as unskilled labour, while maintaining low labour costs. While we undertake in-house training for our employees, we cannot assure you that we will be able to retain these especially skilled personnel. Further, in case of any disputes with the employees in connection with tasks performed by them in the course of their employment, including in relation to the collection of payments from customers/Dealers may have an adverse impact on the business operations and financial collections. The table below indicates the number and attrition rates of our permanent employees for the period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022:

Particulars	As on December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Number of Employees	% of Attrition rate	Number of Employees	% of Attrition rate	Number of Employees	% of Attrition rate	Number of Employees	% of Attrition rate
Permanent Employees	627	13.49%	633	10.58%	634	7.79%	573	13.37%

As of December 31, 2024, we have a total of 627 employees and lay significant emphasis on our employees’ overall welfare. For details, see ‘Our Business-Employees’ on page 200. However, there can be no assurance that there will not be any future disruptions in our operations due to any disputes with our employees or that such disputes will not adversely affect our business and results of operations.

We need to continue to recruit, train and retain a greater number of employees, including skilled and unskilled



labour, at various levels. Our ability to maintain low labour costs is subject to numerous external factors, including prevailing wage rates, as well as the impact of legislation or regulations governing labour relations and minimum wages. An inability to provide wages and/or benefits that are competitive within the markets in which we operate could adversely affect our ability to retain and attract qualified personnel, which in turn may affect our business, prospects and financial condition. Further, in the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could materially and adversely affect our business, future financial performance and results of operations.

**18) Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.**

The table below shows the total amount of our insurance coverage and its percentage contribution to our net tangible assets for the period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Amount of insurance coverage (in ₹ lakhs)	25,004.47	20,081.35	19,476.04	19,038.17
% contribution of insurance coverage to net tangible assets	120.08%	107.76%	124.84%	153.78%

Our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed. For example, in the case of our marine cargo open policy, losses due to rusting, oxidation and discoloration of the stock, unless the loss or damage is caused during transit is not covered. Therefore, if our Company is unable to provide the time of oxidization, we may not be able to obtain a claim to compensate the loss suffered by us. Therefore, our insurance policies might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Further, several of our insurance policies exclude the insurer's liability in relation to loss or damage arising directly or indirectly from any communicable disease or pandemic. Thus, any loss arising in connection with a communicable disease or pandemic would be excluded from our insurance cover, which may have a material adverse effect on our business, financial condition and results of operations.

**19) In the past, there have been instances of delayed filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.**

In the past, there have been instances of delayed filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act, 2013. No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**20) We have in past entered into related party transactions and we may continue to do so in the future.**

As of December 31, 2024, we have entered into several related party transactions with our Promoters and individuals and entities forming a part of our Promoter Group. In addition, we have in the past also entered into transactions with other related parties. A summary of the related party transactions in the period ended December 31, 2024 and in the Fiscals 2024, 2023 and 2022 as per Ind AS 24 - Related Party Disclosures, derived from our Restated Financial Statements, is detailed below:

**Period ended December 31, 2024:**

(₹ in lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	90.00	-	-
	Rent Paid	109.59	-	-
	Prepaid Rent	32.94		
Nitin Kishorepuria	Remuneration/Salary	108.00	-	-
	Rent Paid	151.36	-	-
	Prepaid Rent	40.69		
Rachna Kishorepuria	Rent Paid	39.90	-	-
	Prepaid Rent	10.72		
	Remuneration	45.00	-	-
Sabita Devi Kishorepuria	Rent Paid	81.17	-	-
	Prepaid Rent	21.82		
Bijay Kumar kishorepuria (HUF)	Rent Paid	8.20	-	-
BMW Enterprise	Sales	-	-	3,310.87
	Storage,Bending, Loading & Unloading charges	-	-	102.91
	Material Received	-	-	74.75
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	146.33
BMW Logistics Private Limited	Transportation Charges	-	-	883.41
	Sales	-	-	0.56
Jagdamba Value Steels Private Limited	Rent Paid	-	-	31.86
Mediversal Healthcare Private Limited	Medical Expenses	-	-	0.53
BMW Hardware & Steel	Sales	-	-	336.78
	Storage,Bending, Loading charges	-	-	17.30
	Received			
BMW Vyapar Private Limited	Sales	-	-	257.69
	Purchase	-	-	72.91
<b>Total</b>		<b>739.40</b>	<b>-</b>	<b>5,235.91</b>

**Fiscal 2024**

(₹ in lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	112.95	-	-
	Loan Taken	240.00	-	-
	Interest Paid	4.30	-	-
	Loan Repaid	240.00	-	-
Nitin Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	139.50	-	-
Rachna Kishorepuria	Rent Paid	36.77	-	-
	Rent Paid	81.89	-	-

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Sabita Devi Kishorepuria	Loan Taken	30.00	-	-
	Loan Repaid	30.00	-	-
	Interest Paid	1.12	-	-
Ruchika Maheshwari Kejriwal	Remuneration/Salary	6.05	-	-
Birendra Kumar	Remuneration/Salary	10.80	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	10.48	-
BMW Enterprise	Sales	-	-	3,448.23
	Purchase	-	-	202.49
	Storage,Bending, Loading & Unloading charges	-	-	167.97
	Material Received	-	-	302.49
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	292.16
	Rent Received	-	-	2.34
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	1,034.44
	Sales	-	-	0.59
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.28
	Loan Taken	-	-	85.00
	Loan Repaid	-	-	85.00
	Interest Paid	-	-	0.75
Jagdamba Value Steels Private Limited	Rent Paid	-	-	42.48
	Establishment Charges Received	-	-	0.28
	Material Transfer	-	-	20.62
BMW Project Private Limited	Establishment Charges	-	-	0.14
Rachna Heights Private Limited	Establishment Charges	-	-	0.28
Nupur Heights Private Limited	Establishment Charges	-	-	0.28
Mediversal Healthcare Private Limited	Medical Expenses	-	-	11.00
BMW Hardware & Steel	Capital Contribution	-	-	30.50
	Sales	-	-	282.64
	Establishment Charges Received	-	-	0.14
	Storage,Bending, Loading charges Received	-	-	9.45
	Purchase	-	-	3.67
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.28
JBT Realty LLP	Loan Given	-	-	536.51
	Loan Repaid	-	-	536.51
	Interest Received	-	-	11.23
	Sales	-	-	412.46

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Vyapar Private Limited	Purchase	-	-	221.86
<b>Total</b>		<b>1,173.39</b>	<b>10.48</b>	<b>7,743.16</b>

### Fiscal 2023

(₹ in lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar	Remuneration/Salary	120.00	-	-
Kishorepuria	Rent Paid	94.13	-	-
Nitin Kishorepuria	Remuneration/Salary	80.00	-	-
	Rent Paid	116.25	-	-
Rachna Kishorepuria	Rent Paid	30.64	-	-
	Remuneration	20.00	-	-
Sabita devi Kishorepuria	Rent Paid	26.94	-	-
Rahul Kumar	Remuneration/Salary	7.52	-	-
Birendra Kumar	Remuneration/Salary	10.68	-	-
Bijay Kumar kishorepuria (HUF)	Rent Paid	-	9.60	-
BMW Enterprise	Sales	-	-	2,220.17
	Storage, Bending, Loading & Unloading charges	-	-	180.54
	Purchase	-	-	9.87
	Purchase of Machinery	-	-	3.07
	Discount Given / Credit Note	-	-	8.04
Jai Basukinath Traders Private Limited	Storage, Bending, Loading & Unloading charges	-	-	426.72
	Rent Received	-	-	13.26
	Sales	-	-	2.63
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	929.72
	Sales	-	-	0.51
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Paid	-	-	42.48
	Establishment Charges Received	-	-	0.35
	Service Bill Received (Purnea Godown Rent Paid)	-	-	2.34
BMW Project Private Limited	Establishment Charges	-	-	0.21
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Mediversal Healthcare Private Limited	Advance	-	-	2.14
BMW Hardware & Steel	Advance	-	-	68.16
	Sales	-	-	43.81
	Establishment Charges Received	-	-	0.14
	Storage, Bending, Loading charges Received	-	-	3.00
	Purchase	-	-	6.66
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
	Unsecured Loan Received	-	-	250.00
	Unsecured Loan Paid	-	-	250.00
	Interest Paid	-	-	5.15
BMW Height Private Limited	Establishment Charges	-	-	0.14
<b>Total</b>		<b>506.15</b>	<b>9.60</b>	<b>4,471.60</b>

#### Fiscal 2022

(₹ in lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	96.00	-	-
	Loan Taken	225.00	-	-
	Loan Received	225.00	-	-
	Interest Paid	8.71	-	-
	Rent Paid	75.30	-	-
Nitin Kishorepuria	Loan Taken	161.00	-	-
	Loan Repaid	161.00	-	-
	Interest Paid	2.88	-	-
	Rent Paid	93.00	-	-
Rachna Kishorepuria	Rent	24.51	-	-
	Loan Taken	75.00	-	-
	Loan Repaid	75.00	-	-
	Interest Paid	4.28	-	-
	Remuneration	48.00	-	-
Sabita Devi Kishorepuria	Loan Taken	250.00	-	-
	Loan Repaid	250.00	-	-
	Interest Paid	11.29	-	-
	Rent	21.55	-	-
Rahul Kumar	Remuneration/Salary	6.27	-	-
Birendra Kumar	Remuneration/Salary	8.19	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	9.60	-
Rajkumar Kishorepuria	Salary	-	10.75	-
Nupur Singhania	Loan Taken	-	40.00	-
	Loan Repaid	-	40.00	-
	Interest Paid	-	2.87	-

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Enterprise	Sales	-	-	643.98
	Storage, Bending, Loading charges	-	-	142.45
	Purchase	-	-	6.23
Jai Basukinath Traders Private Limited	Storage, Bending, Loading charges	-	-	357.56
	Rent Received	-	-	14.16
	Discount Given / Credit Note	-	-	30.82
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	740.25
	Sales	-	-	0.32
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Received	-	-	5.61
	Establishment Charges	-	-	0.35
	Service Bill (Purnea Godown Rent Paid)	-	-	42.48
	Security Deposit (Received partly)	-	-	20.00
BMW Project Private Limited	Establishment Charges	-	-	0.35
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35
Mediversal Healthcare Private Limited	Medical Treatment of Staff	-	-	5.86
BMW Hardware & Steel	Sales	-	-	49.27
	Establishment Charges	-	-	0.14
	Storage, Bending, Loading charges	-	-	2.90
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
<b>Total</b>		<b>1,821.99</b>	<b>103.22</b>	<b>2,065.21</b>

For further details, see “Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements” on page 271.

All such related party transactions that we have entered into have been conducted at arm's length with approvals from the Audit Committee, the Board and/or our shareholders, as applicable, and in accordance with the applicable laws. However, we cannot assure you that these arrangements or any future related party transactions that we may enter into, individually or in the aggregate, will always be in the best interests of the minority shareholders of the Company and/or will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. The transactions we have entered into and any future transactions with our related parties may have involved or could potentially involve conflicts of interest which may be detrimental

to our Company and there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. After the completion of the Issue, all related-party transactions that our Company may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations. We cannot assure you that such approvals will be received in a timely manner or at all. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that our Company could not have undertaken such transactions on more favorable terms with any unrelated parties or that any dispute that may arise between us and related parties will be resolved in our favor.

**21) If the products we manufacture/Fabricate or distribute are found to be deficient, we may lose our customers/Dealers and may be subject to product liability claims or claims alleging deficiency which may also cause damage to our reputation and/or adversely affect our results of operations and financial condition.**

Our Company believes in providing quality products and due care is taken to mitigate the associated risks which may happen due to factors beyond our control. We may face the risk of legal proceedings and claims being brought against us by our customers/dealers amongst others on account of sale of any defective or misbranded products. Any failure on the part of our third party manufactures to deliver quality products, may materially and adversely affect our business, profitability and reputation and also increase the risk of institution of product liability claims against us. Our Company ensures that the products distributed by us are of utmost quality by associating with manufactures and by carrying out preliminary checks on the products supplied to us. However, there may be instances where the products supplied by us turn out to be deficient in quality or suffer any other defects which were not highlighted during our quality checks. There have been instances in the period ended December 31, 2024 and the last three Fiscals, wherein our dealers highlighted quality concerns in the products distributed by us, in such cases we either buy-back the products or issue a credit note to our customer/dealers. During the period ended December 31, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, credit notes amounting to ₹0.32 lakhs, ₹4.14 lakhs, ₹11.43 lakhs and ₹11.67 lakhs, respectively were issued by our Company, on account of supply of deficient goods for Distribution Segment.

In respect of the products manufactured by us, we try to ensure that our products are faultless and conform to the specific requirements of our customers. Although we conduct quality tests of our products prior to the delivery to our customers, our dedicated quality assurance team conducts material inspections and then subjects the products to various tests, following which the products are sent for packaging. However, our quality control procedures may fail to test all possible conditions of use or identify all defects in the design, engineering or specifications of our products. Also, any defect or our inability to comply with the quality parameters of our customers may lead to cancellation of existing orders or non-renewal of arrangements by our customers and in certain instances may even impose additional costs in the form of product liability and/or product recall thereby creating an adverse impact on our reputation, business, cash flow and results of operations and future prospects. There have been instances in the period ended December 31, 2024 and the last three Fiscals, wherein orders placed with us or arrangements executed with us were cancelled on account of defects or our inability to comply with the quality parameters of our customers.

In addition, quality defects may cause us to lose Dealers/Customers to our competitors and loss of reputation and goodwill of our Company. We may also have to expend resources to defend ourselves in the event that claims, or legal proceedings are instituted directly against us. Any such occurrence on account of errors and omission or failure to meet quality and standards of our products and processes can have serious consequences including replacement of the product, which will require us to incur additional cost, which will not be borne by the Dealer/Customer and could result in damage to our reputation and loss of Dealer/Customers, which could adversely affect our business, operations, our cash flows and financial condition.

**22) There are certain outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceedings may adversely affect our business, financial condition, and results of operations.**

There are certain outstanding legal proceedings involving our [Company, Promoters and Directors as on the date of this Draft Red Herring Prospectus. These legal proceedings are pending at different levels of adjudication



before various courts and tribunals. The following table sets forth a summary of the litigation proceedings involving our Company, Promoter and Directors in accordance with the Materiality Policy. For further details of such outstanding legal proceedings, see “Outstanding Litigation and Material Developments” beginning on page 357.

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Other material proceedings	Aggregate amount involved* (₹ in Lakh)
<b>Company</b>						
By our Company	14	-	-	-	1	0.60
Against our Company	-	4	-	-	-	8.35
<b>Directors</b>						
By our Directors	-	-	-	-	2	39.32
Against our Directors	-	3	-	-	-	39.45
<b>Promoters</b>						
By our Promoters	11	-	-	-	2	39.32
Against our Promoters	-	3	-	1	-	39.45
<b>Key Managerial Personnel</b>						
Against our KMPs	-	-	-	-	-	-
<b>Senior Management</b>						
Against our SMPs	-	-	-	-	-	-

Further, we cannot assure you that any of the other outstanding litigation proceedings against our Company, Promoters, Directors, Key Managerial Personnel and Senior Management will be settled in our favour, or that no additional liability will arise out of these proceedings. Further, such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. Furthermore, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could adversely affect our business, prospects, financial condition and results of operations.

**23) We depend on related parties and third parties for supply of products to our dealers and for supply of some of our raw materials to our PVC manufacturing unit. A disruption in the supply could impact our business operations and increase our costs.**

We are dependent on our Group Company, BMW Logistics Private Limited and other third party logistic providers for supply of long and flat steel products and tractor engines to our dealers and for delivery of some of the raw materials to our PVC manufacturing unit. A break up of the expenses incurred from transportation during the period/ years indicated have been provided below:

Particulars	Period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations
Expenses incurred from BMW Logistics Private Limited	788.76	0.53%	927.06	0.49%	820.41	0.41%	660.94	0.42%
Expenses incurred from other logistic providers	1,414.44	0.96%	1,925.94	0.98%	1,889.46	0.93%	1,272.83	0.82%
<b>Total</b>	<b>2,203.20</b>	<b>1.49%</b>	<b>2,853.00</b>	<b>1.47%</b>	<b>2,709.47</b>	<b>1.34%</b>	<b>1,933.77</b>	<b>1.24%</b>

We cannot guarantee that alternative logistics providers will deliver our products on similar terms and within a reasonable timeframe if there are disruptions in logistic services. We select transport service providers based on overall value, including cost, quality, and reliability. However, factors like capacity limitations, labour unrest, weather conditions, government actions, cyberattacks, or financial instability may cause delays or shortages.

Additionally, we do not have long-term agreements with our transporters, we cannot ensure their commitment to fulfilling obligations. If goods are lost or damaged during transit, legal action may be difficult due to the absence

of formal contracts. Transportation issues like strikes, theft, weather damage, and other risks can delay deliveries, harm our reputation, and affect our business.

To mitigate risks, we have a marine cargo insurance policy covering transit losses. While we have successfully claimed insurance in the past, future claims are uncertain, and coverage may not always be sufficient. Some unforeseen risks could still cause significant losses or third-party liabilities, for which we may not have adequate insurance.

Our business depends on the ability of our Group Company and third-party transporters to meet quality standards and delivery schedules. Any failure on their part, loss of a key logistics provider, or labour issues could disrupt product supply to our dealers, harming our reputation, customer relations, and finances due to increased transportation costs and the need for alternative providers. Since our transporters are not bound by exclusive contracts, competitors may offer better terms, leading them to prioritize other businesses, affecting our operations. While similar disruptions have occurred in the past without significant impact, we cannot guarantee that future occurrences won't materially affect our business, finances, or operations. If delays or disruptions happen, we may struggle to address them in time, which could increase costs and affect production.

**24) Our inability to effectively supervise contracts under our Fabrication Division may lead to delays which may adversely affect our business, results of operations, financial condition and cash flows.**

Our ability to execute our contracts under the Fabrication Division depends in part on our ability to supervise their execution and engage in engineering and according to the detailed specifications of our customers within stringent delivery time frames. Our ability to meet our customer requirements depends on our ability to ramp up the execution processes of designing, engineering, manufacturing, onsite management for the erection and installation of buildings and girders within the requisite timelines. Further, our execution and management capabilities may also suffer from unanticipated interruptions, which would cause delays to our production schedule and prevent us from executing our services within the scheduled timelines. While, there have not been instances in the period ended December 31, 2024 and the last three Fiscals, wherein a delay in execution of project of our customers was caused on account of delay in delivery of structures and girders from us, however occurrence of any such instances, could impact our brand image and our ability to procure repeat orders from our customers. Any failure to deliver structures and girders within the agreed schedule could result in payment of liquidated damages or the termination of arrangements with our customers. While there have been no instances for the period ended December 31, 2024 and the last three Financial Years ended March 31, 2024, 2023 and 2022 of material delay in the execution of our projects which resulted in payment of liquidated damages or termination of any arrangements, we cannot guarantee that in future we would be able to execute our projects within scheduled timelines.

**25) Our manufacturing/fabrication facilities are subject to operating risks. Any shutdown of our manufacturing/fabrication facilities of our existing or future manufacturing /fabrication facilities or other production problems caused by unforeseen events may reduce sales and adversely affect our business, cash flows, results of operations and financial condition.**

As of the date of this Draft Red Herring Prospectus, we operate manufacturing/fabrication facilities which are located in Bihar. Our fabrication facilities are subject to operating risks and we may encounter manufacturing/fabrication problems or experience difficulties or delays in production as a result of occurrence of the following events or any other events beyond our control:

- forced or voluntary closure of manufacturing/fabrication plants, including as a result of regulatory actions;
- problems with supply chain continuity, including as a result of natural or man-made disasters at any of our manufacturing/fabrication facilities;
- manufacturing/fabrication shutdowns, breakdown or failure of equipment, equipment performance below expected levels of efficiency, obsolescence of our equipment and production facilities, industrial accidents and the need to comply with the directives of relevant government authorities;
- labour disputes, strikes, lock-outs that may result in temporary shutdowns or manufacturing/fabrication disruptions;
- any changes in the availability of power or water availability which impacts the entire region; and

- failure of a supplier to provide us with the critical raw materials or components for an extended period of time, which could impact continuous supply.

Except for the temporary shutdown on account of maintenance of our facilities, there has not been any other instance of a material disruptions in the production by our manufacturing/fabrication facilities in the period ended December 31, 2024 and the last three Fiscals which had an adverse effect on our business, financial conditions, cash flows and results of operations.

There is no assurance that our business and financial results may not be adversely affected by any disruption of operations at our manufacturing/fabrication facilities, including as a result of any of the factors mentioned above. Disruption in our manufacturing/fabrication operations may result in reduced production and reduced sales or higher costs to arrange for alternative arrangements to meet our customer obligations. There have been instances in the period ended December 31, 2024 and Fiscal 2024, wherein there was a reduction in capacity utilization of PVC pipes on account of reduction of sale of our products, due to adverse market conditions and other external factors such as changes in demand for our products. Reduction in our capacity utilization in the future may have a material adverse effect on our business, financial condition, results of operations, and cash flows.

**26) The raw materials that we use and the products that we manufacture and distribute are corrosive in nature. While we take adequate care, there is a risk of contamination of our products.**

Our raw materials, namely, steel coils and plates as well as long and flat steel products, which we distribute are corrosive in nature. Our raw materials and long and flat steel products when come into contact of humid air or water tend to develop a corrosive layer, which impacts its quality and our ability to sell them to our dealers. We face risks relating to mishandling of raw materials and long and flat steel products during transportation or during their storage at our stock yards or manufacturing/fabrication units. Although necessary controls and processes are in place, any failure of such systems, mishandling of raw materials and products or storage of products and certain raw materials, may cause losses on account of deterioration of their quality. Further, our third-party manufacturers and supplier of raw materials may refuse to replace our products on account of their contamination and mishandling at our stockyard or during their transportation. We may have to bear additional costs which may increase our working capital requirements and strain our financial resources. While, we have a transit policy and a policy covering damage to stocks at our stockyards, however we cannot assure you that our claims would be successfully approved or that any loss incurred by our Company, would be recoverable through the insurance maintained by us. We cannot assure you that despite our best efforts we will not face similar situations which may result in loss to our Company and/or a disruption of our manufacturing/fabrication operations. Such loss and/or disruption of our manufacturing/fabrication operations may have a material adverse effect on our operations, cash flows and financial condition.

**27) If the Pre-Engineered Buildings (“PEBs”) and steel girders that we deliver, experience quality defects or if the services we provide as a part of our contracts with our customers are found to be deficient, we may lose our customers and may be subject to product liability claims or claims alleging deficiency in service, which may also cause damage to our reputation and/or adversely affect our business, results of operations, financial condition and cash flows.**

Our business depends on our fabrication, design and engineering of PEBs and steel girders under our Fabrication Division and on us successfully executing orders received under the said division. The fabrication services are carried out in our fabrication facilities under stringent quality control. On account of any defects in the final product supplied by us, we may have to incur costs to address such defects including having to pay damages claimed by customers, if any. Further, the recurrence of such problems may result in the delay or loss of market acceptance of our products, which may cause damage to our reputation and/or adversely affect our business, results of operations, financial condition and cash flows. While the aforementioned events have not materially occurred in the period ended December 31, 2024 and the last three Fiscals, however occurrence of such events could in turn require considerable resources in rectifying the defects and could adversely affect the demand for our products. Further, any defect in our products or our inability to comply with the quality parameters may lead to cancellation of existing orders by our customers thereby causing damage to our reputation and/or adversely affect our business, results of operations, financial condition and cash flows. While the aforementioned events have not materially occurred in the period ended December 31, 2024 and the last three Fiscals, however

occurrence of such events may materially affect our financial condition, results of operations and prospects.

Our services which are offered under the Fabrication Division include design and engineering and fabrication for the installation and erection of PEBs and steel girders. We may not be able to provide services to the satisfaction of our customers. If a customer finds our services to be deficient, we will have to rectify such defects at our own costs. While, there have not been any instances in the period ended December 31, 2024 and the last three Fiscals, wherein, the buildings or girders fabricated by us incurred any damages. Any such occurrence on account of errors and omission or failure to meet quality and standards of our products and processes can have consequences including incurring additional cost, which will not be borne by the customer and could result in damage to our reputation and loss of customers, which could adversely affect our business, operations, our financial condition and cash flows. This may also result in our customers cancelling present or future purchases of our products.

**28) Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.**

We are exposed to payment delays and/or defaults by our customers and dealers. Our financial position and financial performance are dependent on the creditworthiness of our customers. Our payment terms in respect of our different product and service divisions have been provided below:

*Distribution Services:* As per our business network model, we supply our products directly to our dealers without taking any advance payment or security deposit against the orders placed by them. While, the aforementioned terms are followed for almost all dealers, however our Company holds the discretion of modifying such terms on case-to-case basis, on the basis of turnover of the dealer, market experience and market conditions. We offer credit to our dealers, on case-to-case basis.

*PVC Pipes:* We generally utilize our existing dealer network set up for offering distribution services for marketing and selling PVC pipes. Accordingly, we supply our products to our dealers without taking an advance payment. The payment terms are modifiable as per the discretion of our Company. Further, for any new dealers, we take advance payment before selling our products to them. Additionally, our Company holds the discretion of modifying such terms on case to case basis, on the basis of turnover of the dealer, market experience and market conditions. We offer credit to our dealers, on case to case basis.

*Fabrication of pre-engineered buildings and steel girders under our Fabrication Division:* In relation to our fabrication services, as per our arrangements with our customers, we accept full advance payment towards the cost of raw materials. Additionally, we accept 10% of the total amount payable to us as an advance for initiating fabrication services for our customers. The remaining amount is paid upon delivery of fabricated structures to our customers. We do not offer credit as part of our fabrication services.

In respect of our distribution services and manufacturing of PVC pipes, we are exposed to risks relating to delay or default in receiving payment from our dealers. Further, in respect of our fabrication services, while we do not offer credit, however we are exposed to risks relating to non-receipt of balance payment payable to us upon completion of fabrication. While in the period ended December 31, 2024 and the preceding three Fiscals, such event has not occurred, however, if a customer defaults in making its payments on an order on which our Company has devoted resources, or if an order in which our Company has invested resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition.

Delays or defaults in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. For the period ended December 31, 2024 and the Fiscals ending Fiscal 2024, Fiscal 2023 and Fiscal 2022 our trade receivables prior provisions were ₹21,464.63 lakhs, ₹14,706.93 lakhs, ₹11,572.78 lakhs and ₹11,293.03 lakhs, respectively, out of which, debts amounting to ₹2,554.36 lakhs, ₹1,836.05 lakhs, ₹1,473.45 lakhs and ₹812.42 lakhs were outstanding for a period exceeding six months. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows

may be adversely affected.

**29) We are subject to various laws and government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected.**

Our operations are subject to government and statutory regulations, and we are required to obtain and maintain several permits, consents and regulations and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business. For details of approvals relating to our business and operations including those that have expired or are pending for renewal, please see “Government and Other Approvals” on page 369. Several of these approvals are granted for a limited duration. While we have obtained the necessary and material approvals, licenses, registrations and permits from the relevant authorities, there could be instances where we may not have applied, obtained or applied with a delay for certain requisite approvals applicable to us.

We have made applications to the Bihar Fire Service for obtaining No Objection Certificates (NOC) for our stockyards at various locations: on June 25, 2024, for the New Stock Yard located 200 meters ahead of B.P. Petrol Pump on N.H. 30, P.O. Baikhatpur, P.S. Khusrupur, Patna-803202; on September 28, 2024, for the Old Stockyard at N.H. 30, P.O. Baikhatpur, P.S. Khusrupur, Fatuha, Patna-803202; and on August 3, 2024, for the Stockyard at Mauza Rajiganj, Pragna Haveli, Thana Sadar No-67, near Matia Chowk, Opposite Tata Motors Ranipatra, Purnea, Bihar-854337. Additionally, we have submitted applications to the Bihar State Pollution Control Board: on March 31, 2025, for our stockyard at 9C, Patliputra Industrial Area, Patna-800013; and on February 6, 2025, for the Mosimpur Stockyard located at Khusrupur, Old NH 30, Patna-800002.

While we generally apply for the renewal of applicable approvals in a timely manner, we cannot assure that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. During the financial reporting period, there have been no instances in the period ended December 31, 2024 and the preceding three Fiscals, where our application for seeking approval or renewal, as applicable, have been rejected by the relevant authority. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could adversely affect our related operations. Further, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. The approvals required by us are subject to numerous conditions for instance the BPCB consent for Stockyard at Baikhatpur, Fabrication Unit at Purnea is issued on the condition that the unit shall ensure that the Air Quality is being maintained and is assessed at periodic intervals by Authorized Representative and to comply with the Rule 14 of Environmental Protection Rules 1986. Further the Legal Metrology Certificate are subject to periodic examinations and check by the authorized representative.

In addition, these registrations, approvals or licenses are liable to be cancelled or the sale of products may be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations or growth prospects.

**30) Our inability to manage our growth or to successfully implement our growth strategy could materially and adversely affect our business, financial condition, results of operations and prospects.**

Our Revenue from operations increased at a CAGR of 11.34% from ₹1,56,358.80 lakhs in Fiscal 2022 to ₹1,93,819.63 lakhs in Fiscal 2024. This increase in revenue from operations was basically driven by increase in volumes of TMT bars in Metric ton. TMT volume has increased from 1,52,423 MT in fiscal 2022 to 2,06,100 MT in fiscal 2024. Also, fabrication business was started in November 2022 for PEB, which has generated revenue of ₹98.76 lakhs in fiscal 2023 to reach at ₹1118.47 lakhs in fiscal 2024 and for the period ended December 2024 it was ₹538.56 lakhs. Company has started producing steel girders since July 2023 and generated revenue of ₹500.32 lakhs for fiscal 2024. For the period ended December 2024, company has not booked any revenue in steel girder division because, client has not taken delivery of goods. Our principal growth strategy is continuous



expansion of our business by diversifying our product portfolio and increasing our manufacturing/ fabrication capabilities, increasing our geographic footprint, and increased focus on brand building. We cannot assure you that we will be able to sustain the past growth in our revenue or implement our growth strategy successfully, or that we will be able to expand further or diversify our operations effectively.

Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general, political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

In order to grow our business, we will be required to continuously evolve and improve our operational, administrative, financial and internal controls across our organization. The management of our business verticals, training of our workforce and continued development of financial and management controls for our expanded operations could place a strain on our management resources or require additional expenditure. As we scale-up and diversify our operations, we may additionally not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. Further, if we fail to make a proper assessment of the operational risks, credit risks and execution risks associated with these businesses, our business, financial condition and results of operations may be materially and adversely affected.

**31) We do not own certain premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business.**

As on the date of this Draft Red Herring Prospectus, our Registered Office, stockyards and our fabrication units situated in Bihar have been taken on lease by our Company from related parties or third parties. Below are the details of property taken on lease by the company:

Location	Area	Date of agreement	Rent / Consideration	Tenure	Status	Purpose
1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004 <sup>(1)</sup>	5,700 Sq. Ft.	October 01, 2021	₹2,25,000 p.m.	Five Years	Lease	Registered Office
Mauza Rajiganj, Pragna Haveli, Thana Sadar no-67, near Matia Chowk, Opp. Tata Motors Ranipatra, Purnea-854337 <sup>(2)</sup>	5,44,600 Sq. Ft.	April, 06, 2016	₹3,00,000 p.m.	Thirty Five Years	Lease	Stockyard and Manufacturing and Fabrication Unit
Old stockyard, N.H. 30, P.O. Baikatpur, p.s. Khusrupur, Fatuha, Patna-803202 <sup>(3)</sup>	1,47,936 Sq. Ft.	April, 01, 2022	₹10,33,571 p.m.	Five Years	Lease	Stockyard
New stockyard, 200 mtr ahead of BP petrol pump, N.H. 30, P.O. Baikatpur, P.S. Khusrupur, Patna-803202 <sup>(4)</sup>	2,14,853 Sq. Ft.	April, 01, 2022	₹16,15,775 p.m.	Five Years	Lease	Stockyard
8/1, Industrial Estate Road, Patliputra Patna, Patna-800013 <sup>(5)</sup>	16,485 Sq. Ft.	May, 25, 2004	₹3,82,755 Premium (one time)	Ninety Years	Lease	Cutter Plant of GP Sheet
9c, Patliputra Industrial Area Patna-800013 <sup>(6)</sup>	6,750 Sq. Ft.	May, 22, 2000	₹1,13,584 Premium (one time)	Ninety Years	Lease	Manufacturing of PVC Pipes
9c (part), Patliputra Industrial Area Patna-800013 <sup>(7)</sup>	8,250 Sq. Ft.	September, 9 2015	₹2,10,00,000 Premium (one time)	Seventy Four Years	Lease	Manufacturing of PVC Pipes
Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002 <sup>(8)</sup>	2,29,980 Sq. Ft.	November 01, 2022	₹9,19,920 pm	Eleven months <sup>#</sup>	Lease	Stockyard
Plot No. 2337, Khata No.258, Thana No.65, Mauza-Ahiyapur Lakhna, Tehsil & Block Punpun, Patna-804453 <sup>(9)</sup>	4,000 Sq. Ft.	May 01, 2023	₹20,000 pm	24 Months	Lease	Stockyard

- (1) Taken on lease basis from Amrapali Films Limited
- (2) Taken on lease basis from Jagdamba Value Steels Private Limited
- (3) Taken on lease basis from Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria, Nitin Kishorepuria and Rachna Kishorepuria (Individual Promoter of our Company)
- (4) Taken on lease basis from Bijay Kumar Kishorepuria
- (5) Taken on lease basis from Bihar Industrial Area Development Authority
- (6) Taken on lease basis from Bihar Industrial Area Development Authority
- (7) Taken on lease basis from Bihar Industrial Area Development Authority
- (8) Taken on Lease from Jai Basulinath Traders Private Limited
- (9) Taken on Lease from M/s. Mauriya Construction

For details, please refer to the chapter titled “Our Business- Material Properties” on page 200 of this Draft Red Herring Prospectus.

Some of the aforementioned properties are leased from our Promoters and Directors and they are interested in our Company to the extent of the rents being paid to them under such lease agreements. These transactions with our Promoters and Directors have been made on an arm’s length basis and in compliance with extant laws and regulations. Hence, there might not be a conflict of interest on account of these properties being leased to our Company by our Promoters and Directors. The duration of such property leases ranges from a period of sixty months to 1,080 months. Our Company incurs expenditure due to leasing of space for our offices, stock yards and fabricating units. The table below indicates payments under the leases which accounted for a portion of our cash outflow for the period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022:

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Payments under the leases	326.55	390.04	316.46	269.99

We expect any units, stock yards and branch offices which we open in the future to be on leased property. As a result, our Company may incur higher expenses for leasing spaces which could lead to lower margins in our business in the future. We cannot assure you that our profit margins will not be affected by such increased expenses in the future. Further, a number of lease deeds are currently under renewal process and we cannot assure that we will be able to renew the lease deeds on favourable terms. As our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close showrooms, sales outlets, service centres in desirable locations or to shift them, which may not necessarily yield best results. While, the long-term leases are renewable and extendable in nature, however in the event for unforeseen reasons such lease agreements are not renewed, we may be required to vacate the premises on the expiry of the lease period.

Further, a number of our lease agreements may not be duly registered or adequately stamped. The effect of inadequate stamping and non-registration is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce it, except after paying a penalty for inadequate stamping and non-registration.

There is no assurance that the terms of our agreements will be renewed on commercially acceptable terms. In the event that the lessor or licensor terminates or chooses not to renew the agreements, we will be required to vacate the premises where our operational activities are currently conducted. In such a scenario, we would need to identify and secure alternative premises and enter into new lease or leave and license agreements, which may be on less favorable terms and conditions, to relocate our registered office and operations. This may lead to time delays and could temporarily disrupt our operations. The uncertainty regarding the renewal of such agreements poses a potential risk to our business continuity and operational stability. While there have been no instances of termination during the period ended December 31, 2024, or in the last three financial years, we cannot guarantee that such situations will not arise in the future. If they do, we may not be able to secure alternative premises in the same location, within the required timeframe, or on cost-effective terms.

### **32) The shortage or non-availability of power may adversely affect our business, result of operations, financial conditions and cash flows.**

We require power for our manufacturing / fabrication facilities. The following tables set forth below our power expenses in the years/ periods indicated:



(₹ in lakhs)

Particulars	As on December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations	(₹ in lakhs)	% of revenue from operations
Power Expenses	126.07	0.09%	144.25	0.07%	104.35	0.05%	66.37	0.04%

All our fabrication facilities depend on the delivery of adequate and uninterrupted supply of electrical power. We have solar power supply for our manufacturing / fabrication units through a solar plant situated at Patna and Purnea. In addition to solar power, we also rely on local power authorities for procuring power for our manufacturing/ fabrication units. Our solar power plant has a capacity of 59.185 KWP, therefore any additional power requirement is sourced from local authorities. Additionally, any excess power generated through our solar plants are sold to the local power authorities, in exchange of set off of certain amount from our electric bill. We also rely upon diesel generator sets for certain units to ensure continuity of operations in case of power outage. There have been no major instances of power failure in the last three years. There can be no assurance that electricity supplied to our existing manufacturing / fabrication units will be sufficient to meet our requirements or that we will be able to procure adequate and uninterrupted power supply in the future at a reasonable cost. If the per unit cost of electricity is increased by the state electricity board our power cost will increase. Any changes in government policies or local power and water shortages could adversely affect our production facility and ultimately our operations or financial condition may be adversely affected. A prolonged suspension in production could materially and adversely affect our business, financial condition, results of operations or cash flows. While, the aforementioned events have not occurred in the period ended December 31, 2024 and the last three Fiscals, however, we cannot assure you that such instances would not occur in the future.

**33) Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.**

Our Company may withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, for which a public notice within two (2) Working Days of the Issue Closing Date shall be issued, along with providing the reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the Pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Offer Document with the stock exchanges where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final ROC approval of the Prospectus.

**34) We have availed moratorium benefits and have rescheduled our borrowings in the past.**

Our Company has availed loans from Punjab National Bank and had opted for moratorium benefits as part of the reliefs offered by the Reserve Bank of India and the Central Government during the COVID-19 pandemic. The details of the benefits availed have been provided below:

Banks	Type of facility	Benefit availed	Amount of moratorium availed (₹ in lakhs)	Amount outstanding as of December 31, 2024 (₹ in lakhs)
Punjab National Bank	Guaranteed Emergency Credit Line	Moratorium benefits of principal amount for two years	211.67	741.00

Except as mentioned above, as of date of this Draft Red Herring Prospectus, our Company has not availed any moratorium benefits from any of our lenders. For further details, please see – “History and Certain Corporate

*Matters- Defaults or rescheduling/restructuring of borrowings with financial institutions/banks” on page 235.*

We cannot assure you that we will not apply for moratorium for any of our existing loans or request our lenders to reschedule of our loans. We also cannot assure you that any of our requests in this regard would be accepted by our lenders or it would not trigger any restrictive covenants or events of default as per the agreements executed with our lenders. Occurrence of any of the aforementioned events, could affect our cash flows, financial condition and business operations.

- 35) **There are certain defaults/ delay in payment of statutory dues by us. Any further default/ delay in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.**

Our Company have at times in the past delayed in the payment of statutory dues such as provident fund, goods and service tax to relevant authorities. These delays were due to administrative and technical issues on the Portal during these periods. Following is the list of delay in payment/filing of statutory return/dues:

**Provident Fund & ESIC:**

(Figures in Rs.)

Financial Year	Return Type	Tax Period	Due Date	Date of Filing	Amount	Delay Days
2021-22	ESIC	July 21	August 15, 2021	August 21, 2021	1,62,367	6
2021-22	ESIC	Nov 21	December 15, 2021	December 17, 2021	1,48,794	2
2021-22	ESIC	July 21	August 15, 2021	August 21, 2021	14,065	6
2021-22	PF	July 21	August 15, 2021	August 16, 2021	1,04,198	1
2021-22	PF	July 21	August 15, 2021	August 18, 2021	13,17,267	3

**TDS/TCS:**

(Figures in Rs.)

Particulars	Due date of payment	Date of payment	Amount
<b>Period ended December 31, 2024</b>			
TDS	October 07, 2024	November 05, 2024	43,448.00
TDS	May 07, 2024	May 29, 2024	5,226.00
TDS	August 07, 2024	August 28, 2024	36,313.00
TDS	January 07, 2025	January 28, 2025	1,71,250.00
TDS	January 07, 2025	January 28, 2025	1,53,750.00
TDS	January 07, 2025	January 28, 2025	15,625.00
TDS	July 07, 2024	July 25, 2024	9,223.00
TDS	September 07, 2024	September 25, 2024	64,951.00
TDS	January 07, 2025	January 15, 2025	3,000.00
<b>Fiscal 2024</b>			
TDS	May 07, 2023	May 29, 2023	48,301.00
TDS	June 07, 2023	June 24, 2023	6,714.00
TDS	June 07, 2023	June 26, 2023	4,718.00
TDS	June 07, 2023	July 07, 2023	3,455.00
TDS	July 07, 2023	July 21, 2023	32,249.00
TDS	August 07, 2023	August 24, 2023	45,568.00
TDS	September 07, 2023	October 07, 2023	68,315.00
TDS	November 07, 2023	November 07, 2023	20,892.00
TDS	November 07, 2023	November 10, 2023	412.00
TDS	December 07, 2023	December 25, 2023	10,587.00
TDS	January 07, 2024	January 20, 2024	1,27,612.00
TDS	February 07, 2024	February 24, 2024	32,936.00
TDS	March 07, 2024	March 20, 2024	20,742.00
TDS	April 30, 2024	June 25, 2024	2,54,810.00
TDS	April 30, 2024	July 15, 2024	6,43,132.00
TDS	April 30, 2024	July 15, 2024	1,736.00
TDS	April 30, 2024	September 07, 2024	36,930.00
<b>Fiscal 2023</b>			

Particulars	Due date of payment	Date of payment	Amount
TCS	May 07, 2022	June 07, 2022	3,788.00
TDS	May 07, 2022	May 30, 2022	823.00
TDS	May 07, 2022	May 30, 2022	2,001.00
TDS	June 07, 2022	July 07, 2022	802.00
TDS	July 07, 2022	July 13, 2022	23,457.00
TDS	August 07, 2022	August 12, 2022	2,919.00
TDS	September 07, 2022	November 12, 2022	1590.00
TDS	October 07, 2022	October 10, 2022	4,213.00
TDS	October 07, 2022	October 13, 2022	30,450.00
TDS	November 07, 2022	December 06, 2022	229.00
TDS	December 07, 2022	January 07, 2023	6,170.00
TDS	January 07, 2023	January 18, 2023	51,175.00
TDS	February 07, 2023	February 25, 2023	7,144.00
TDS	March 07, 2023	March 28, 2023	21,583.00
TDS	April 07, 2023	October 06, 2023	4,531.00
TDS	April 07, 2023	July 17, 2023	1,06,822.00
TDS	April 07, 2023	August 19, 2023	13,85,660.00
<b>Fiscal 2022</b>			
TDS	May 07, 2021	June 23, 2021	223.00
TCS	June 07, 2021	July 07, 2021	3,507.00
TDS	June 07, 2021	June 23, 2021	56,554.00
TDS	June 07, 2021	June 25, 2021	673.00
TCS	August 07, 2021	October 06, 2021	1,09,360.00
TDS	August 07, 2021	September 09, 2021	42,763.00
TDS	September 07, 2021	September 09, 2021	19,590.00
TDS	September 07, 2021	September 18, 2021	816.00
TDS	November 07, 2021	November 19, 2021	718.00
TCS	December 07, 2021	February 08, 2022	8,955.00
TDS	January 07, 2022	January 11, 2022	34,777.00
TDS	January 07, 2022	April 28, 2022	25,215.00
TDS	January 07, 2022	January 12, 2022	3,230.00
TDS	February 07, 2022	February 11, 2022	81,562.00
TDS	February 07, 2022	February 09, 2022	3,230.00
TDS	February 07, 2022	February 19, 2022	7,847.00
TDS	February 07, 2022	April 28, 2022	18,806.00
TDS	March 07, 2022	March 16, 2022	1,13,368.00
TDS	March 07, 2022	April 28, 2022	3,896.00
TDS	April 30, 2022	June 07, 2022	48,994.00
TDS	April 30, 2022	July 11, 2022	1,23,237.00

***Kindly note that there are no delays in GST filling for active GSTIN***

While our Company has subsequently made payment of all pending statutory dues, we cannot assure that we will not incur delays in payment of statutory dues in the future. Further, any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as penalties, which may adversely impact our business, results of operations, cash flows and financial condition.

**36) Our inability or failure to maintain optimum inventory levels or any theft of inventory may adversely affect our business, results of operations and financial condition.**

Our Company is the distributor of long and flat steel products of the Primary Supplier in 29 districts out of total 38 districts in Bihar. In addition to above, our Company is also engaged in the business of (i) distribution of tractor engines; (ii) fabrication of pre-engineered buildings and steel girders; and (ii) manufacturing of PVC pipes. For undertaking the above activities, we are required to have strong inventory management in place. For details of inventory levels (along with the breakup of types of inventories) of our Company and inventory specific ratios for the period ended December 31, 2024 and for the last three Fiscals, see “Financial Information” on page 271 of the DRHP. We strive to keep optimum inventory at our stockyards to control our costs and working capital

requirements. Set out below is the inventory days and inventory turnover ratio for the period ended December 31, 2024 and the Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Inventory Days:

Particulars	Period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventory Days	67	57	35	30

Inventory Turnover Ratio:

Particulars	Period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventory turnover ratio <sup>(1)</sup>	4.12	6.38	15.74	13.58

<sup>(1)</sup> Inventory turnover ratio: cost of goods sold for the current period/ Average of inventory for the current and previous period

We are also required to accurately predict the market demand for each of the products marketed by us for third party manufacturers as well as for the levels of inventory. We are also required to forecast the level of raw materials which shall be required by us for manufacturing PVC pipes and offering fabrication services. Our inability or failure to maintain adequate inventory levels may affect our quality of service, turnaround time, relationships with the third party manufactures, customers and dealers; and our business reputation. Conversely, an inaccurate forecast may result in an over-supply or shortage of products, which may lead to increase inventory costs, negatively impact cash flow and ultimately lead to reduction in margins. Such inaccurate forecasts will affect our inventory turnover ratio which will ultimately be detrimental to the efficiency in the operations of the Company. Further, even though we have obtained insurance, any inability on our part to prevent theft of inventory, or any illegal use/ misuse of the inventory can have an adverse impact on our operations.

**37) Our Promoter Group entity, M/s. BMW Enterprises has conflicts of interest as it is engaged in similar business and may compete with us.**

Our Promoter Group entity, M/s. BMW Enterprises operates as a carrying and forwarding agent for a leading steel manufacturer in the state of Bihar, and therefore is engaged in business activities as that of our Company. We have not entered into any non-compete agreement with M/s. BMW Enterprises, and there can be no assurance it will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance. Further, any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoters and our Directors, Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria and Nitin Kishorepuria, Rachna Kishorepuria, could have a material adverse effect on our business and results of operations. We have not entered into a non-compete arrangement with our Promoters as well to address such conflicts. While, any of the aforementioned events have not occurred in the period ended December 31, 2024 and the last three Fiscals, however we cannot assure you that a conflict will not arise, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations. For further details, please see “Our Promoters and Promoter Group - Other ventures of our Promoters” on page 260 of this Draft Red Herring Prospectus.

**38) A part of the Net Proceeds will be utilized for the repayment or prepayment of indebtedness availed of by our Company. Accordingly, the utilization of the Net Proceeds will not result in creation of any tangible assets.**

Our Company has availed facilities in the ordinary course of business. As of December 31, 2024 our total borrowings amounted to ₹44,072.17 lakhs.

We intend to utilize ₹17,375.00 lakhs from the Net Proceeds towards the repayment or prepayment of all or a portion of certain borrowings availed by us and the payment of the accrued interest thereon. The details of the borrowing proposed to be repaid are provided below:

Sr. No.	Name of the lender	Nature of the borrowing	Date of sanction	Sanctioned Amount as per Date of Sanctioned Letter (Rs in Lakhs)	Purpose of borrowing	Amount outstanding as at March 18, 2025	Interest rate as at March 18, 2025 (% per annum)	Schedule of repayment/term	Prepayment penalty	Purpose of utilisation of borrowing	Whether utilised for capital expenditure (Yes/No)
1.	HDFC Bank	Long Term Loan	March 02, 2023	2,372.00	Capital Expenditure	1,832.87	8.35%	Monthly Instalment for Residual tenor of BOB Sanction Limits. <sup>(1)</sup>	N.A.	Construction of Warehouse	Yes
2.		Long Term Loan	March 02, 2023	1,000.00	Capital Expenditure	650.00	8.35%	60 Months	N.A.	Construction of Warehouse	Yes
3.		Long Term Loan	February 24, 2021	1,426.50	Capital Expenditure	578.57	8.00%	80 Months	N.A.	Construction of Warehouse	Yes
4.		Cash Credit	May 16, 2024	13,500.00	For augmentation of working capital Requirements	13,426.70.	8.50% Linked to 3M T-Bill	Repayable on demand and renewable every year. <sup>(2)</sup>	2% on the outstanding principle amount.	Working Capital Requirement	No
5.	AXIS Bank	Channel Finance	November 02, 2023	1,000.00	For augmentation of working capital Requirements	990.80	REPO+2.50 % P.A. i.e 9.00%	Maximum usance is 90 days from the date of drawdown <sup>(3)</sup>	N.A.	Working Capital Requirement	No
6.		Term Loan	December 27, 2023	255.50	Capital Expenditure	180.26	8.80%	The Tenure of 47 Months for loan amounting to ₹224.00 Lakhs and 23 Months for amounting to ₹31.50 Lakhs	N.A.	Purchase of Construction Equipment	Yes
7.		Term Loan	February 28, 2024	402.78	Capital Expenditure	321.25	9.20%	47 Months	N.A.	Purchase of Construction Equipment	Yes
8.		Term Loan	July 17, 2023	171.50	Capital Expenditure	123.95	8.80%	58 Months	N.A.	Purchase of Construction Equipment	Yes
9.	Standard Chartered	Channel Finance	December 30, 2023	1,500.00	For augmentation of working capital Requirements	1,487.17	9.00%	Tenor of 60 days <sup>(4)</sup>	N.A.	Working Capital Requirement	No
10.	YES Bank	Channel Finance	January 31, 2024	1,000.00	For augmentation of working capital Requirements	987.82	8.50%	Tenor of 60 days	N.A.	Working Capital Requirement	No
11.	DBS	Channel Finance	May 29, 2024	1,000.00	For augmentation of working capital Requirements	991.20	8.75%	Tenor of 90 days <sup>(5)</sup>	N.A.	Working Capital Requirement	No

Sr. No.	Name of the lender	Nature of the borrowin g	Date of sanction	Sanctioned Amount as per Date of Sanctioned Letter (Rs in Lakhs)	Purpose of borrowing	Amount outstanding as at March 18, 2025	Interest rate as at March 18, 2025 (% per annum)	Schedule of repayment/ter m	Prepayment penalty	Purpose of utilisation of borrowing	Whether utilised for capital expenditure (Yes/No)
12.	Tata Capital Limited	Channel Finance	November 29, 2023	2,000.00	For augmentat ion of working capital Requireme nts	1,999.91	9.90%	Interest to be paid on monthly rest basis and principal to be repaid within 90 days of disbursement of each tranche	4% of the sanction Amount + Applicable GST	Working Capital Requirement	No
13.	Federal Bank	Channel Finance	January 29, 2024	1,000.00	For augmentat ion of working capital Requireme nt	992.05	8.60% (Repo Rate + 2.10%) P.A	60 Days <sup>(6)</sup>	2% of the limit sanctioned including adhoc limit if sanctioned	Working Capital Requirement	No
14.	ICICI Bank	Term Loan	May 19, 2023	220.00	Capital Expenditu re	131.47	9.10 %	46 Months	NIL	Purchase of Construction Equipment's	Yes
		Channel Finance	October 23, 2024	1,000.00	For augmentat ion of working capital Requireme nts	990.00	9.00 %	60 Days	NIL	Working Capital Requirement	No
15.	Punjab National Bank	Term Loan	November 19, 2021	635.00	For augmentat ion of working capital Requireme nts	423.33	9.25%	72 months including moratorium period of 24 months	NIL	Working Capital Requirement	No
16.		Term Loan	December 23, 2020	1,270.00	To meet operationa l Liabilities and restart the business	238.13	9.25 %	Loan shall be repaid in 48 installments after the moratorium period is over	NIL	Working Capital Requirements	No
17.		Car Loan	October,30, 2021	81.00	Office Purpose	48.99	7.40%	Loan shall be repaid in 84 installments	NIL	Office Purpose	No
18.		Cash credit	March,10, 2025 <sup>@</sup>	17,500.00	For augmentat ion of working capital Requireme nts	15963.43	8.85 %	12 Months	2 % of Total Sanctioned Limit	Working Capital Requirement	No
Total				47,334.28		42,357.90					

<sup>(1)</sup> Initially the loan was sanctioned by Bank of Baroda on March 31, 2022. However, it has now been transferred to HDFC Bank.

<sup>(2)</sup> Facility is available for 12 Months subject to renewal after review at periodical intervals.

<sup>(3)</sup> Renewal after review at periodical intervals

<sup>(4)</sup> Renewal after review at periodical intervals

<sup>(5)</sup> Renewal after review at periodical intervals

<sup>(6)</sup> Renewal after review at periodical intervals

<sup>@</sup> The original sanction letter, dated January 8, 2023, with a sanctioned limit of ₹16,000 lakhs, has been revised effective March 10, 2025, to a new limit of ₹17,500 lakhs.

The borrowings to be prepaid or repaid will be selected based on a range of various factors, including (i) any conditions attached to the borrowings restricting our ability to repay or prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) receipt of consents for prepayment, (iv) provisions of any laws, rules and regulations governing such borrowings, and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

While voluntary prepayment or scheduled re-payment of a portion of certain outstanding borrowings will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion, the premature redemption will not result in the creation of any tangible assets for our Company. For details regarding the repayment or prepayment of loan, please refer to table disclosed in the chapter titled '*Objects of the Issue*' on page 129 of this Draft Red Herring Prospectus.

**39) Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.**

Our Company intends to use Net Proceeds raised pursuant to the Issue in the manner set out in the section titled "Objects of the Issue" on page 129.

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.

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 Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on 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 or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity 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 Issue, if any, or vary the terms of any contract referred to in the 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.

**40) Our operations are labour intensive and our manufacturing/fabrication operations may be subject to unionization, work stoppages or increased labour costs, which could adversely affect our business and results of operations.**

Our manufacturing / fabrication activities are labour intensive and expose us to the risk of various labour related issues. Whilst we have not faced any strike by our workforce, we cannot assure you that we will not be subject to work stoppages, strikes, lockouts or other types of conflicts with our employees or contract workers in the future. The success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of December 31, 2024, we employed about 240 workmen and 387 employees across our units. We do not have any trade union registered under the Trade Unions Act, 1926. In the past three years, we have not experienced any labour dispute. We do not have any formal policy for redressal of labour disputes. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse



effect on our business and results of operations. We may also have to incur additional expenses to train and retain skilled labour. We are also subject to a number of stringent labour laws that protect the interests of workers, including legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. In the event of any prolonged delay or disruption of our business, results of operations and financial condition could be materially and adversely affected.

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. Non-compliance with any such laws may lead to imposition of fines and penalties and initiation of actions by regulatory authorities, which may have an adverse impact on our business, results of operations and financial condition.

**41) Our operations are subject to environmental and health and safety laws and other government regulations which could result in increased liabilities and increased capital expenditures.**

We are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Our manufacturing/ fabrication processes and products are subject to stringent quality, environmental and occupational health and safety standards. We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India. In India, these include the Factories Act, 1948, Payment of Wages Act, 1936, etc. A failure by us or our contractors to comply with the relevant labour regulations, could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We may be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to labour, safety, health and environmental matters, the costs of which may be significant. Environmental laws and regulations in India are becoming more stringent and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. A risk of environmental liability is inherent in our manufacturing / fabrication activities, and we are subject to numerous environmental laws and regulations in the countries in which we operate. We have not availed a public liability insurance policy, therefore we cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, financial condition, or cash flows.

In addition, we could incur substantial costs, our products could be restricted from entering certain markets and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict. While, such events have not occurred in the period ended December 31, 2024 and the last three Fiscals, occurrence of any such events could have an adverse impact on our business, results of operations and financial condition.

**42) We operate in a competitive and fragmented industry with low barriers to entry and may be unable to compete with a range of unorganized sector.**

In the dynamic landscape of the steel business, one of the formidable challenges arises from competition in the unorganized sector. We operate in the manufacturing and distribution of raw materials utilized in the steel and construction industry which is competitive and fragmented and we compete with a range of unorganized players, at the national and regional level. Further, while we have an expanding portfolio of products, our competitors may have the advantage of focusing on concentrated products. Further, we compete against established players also,

which may have greater access to financial, technical and marketing resources and expertise available to them than us in the products and services in which we compete against them.

Following are the highlights of qualitative and quantitative comparison with peer companies which will provide an insight with the performance of our Company in terms of our peer / competitors:

#### Qualitative Factors:

Category	BMW Ventures Limited	Shiv Aum Steels Limited
<b>Business</b>	Distributor of long and flat steel product in Bihar in 39 district, engaged in distribution of tractor engine, fabrication and manufacturing of Pre-engineered building, Steel girders and PVC pipes.	Trader, stockist and distributor of long and flat steel product pan India.
<b>Revenue Stream</b>	<b>Distributor:</b> • Long & Flat Steel Product	<b>Trader, Stockist &amp; Distributor</b> • Long & Flat Steel Product
	<b>Fabrication and Manufacturing:</b> • PEB, Steel Girder & PVC, Roll Forming	<b>Fabrication and Manufacturing:</b> • No fabrication and manufacturing is done
<b>Product:</b>	<b>Long Steel Product:</b> TMT bars, Structura, and Wire	<b>Long Steel Product:</b> TMT bars, Angle, Beam, channel, Column & Rails
	<b>Flat Steel Product:</b> GC sheet, GP sheet, HR sheet, CR sheet <b>Others:</b> Agrico, Doors	<b>Flat Steel Product:</b> Coil, Plate
<b>Geography</b>	<b>Distribution Business:</b> • Bihar, 39 District	<b>Trading Business:</b> • Pan India
	<b>Fabrication and Manufacturing:</b> • Pan India	<b>Fabrication and Manufacturing:</b> • Not Applicable
<b>Total Revenue</b>	<b>Fiscal 2024:</b> Rs 1,94,203 lakhs	<b>Fiscal 2024:</b> Rs 54,952 lakhs
	<b>Fiscal 2023:</b> Rs 2,01,812 lakhs	<b>Fiscal 2023:</b> Rs 49,724 lakhs
	<b>Fiscal 2022:</b> Rs 1,56,644 lakhs	<b>Fiscal 2022:</b> Rs 40,754 lakhs

#### Quantitative Factors:

(Rs. in lakhs)

Particulars	Fiscal	BMW Ventures Limited	Shiv Aum Steel Limited
Total Revenue	2024	194,203.15	54,951.76
	2023	201,812.23	49,723.97
	2022	156,643.75	40,753.50
EBITDA	2024	7,255.66	2,103.65
	2023	6,784.59	2,503.90
	2022	6,414.71	2,069.28
PAT	2024	2,993.54	1,016.85
	2023	3,265.86	1,431.83
	2022	3,194.01	1,249.13
EBITDA Margin	2024	3.74%	3.84%
	2023	3.37%	5.05%
	2022	4.10%	5.09%
PAT Margin	2024	1.54%	1.85%
	2023	1.62%	2.88%
	2022	2.04%	3.07%
Net Worth	2024	18,670.81	10,592.04
	2023	15,647.70	9,575.33
	2022	12,431.62	8,143.49
Debt / Equity	2024	2.12	0.65
	2023	1.81	0.61
	2022	1.31	0.56
Interest Coverage Ratio	2024	2.44	2.99
	2023	3.09	4.79
	2022	3.62	5.65

Particulars	Fiscal	BMW Ventures Limited	Shiv Aum Steel Limited
RoE	2024	16.03%	9.60%
	2023	20.87%	14.95%
	2022	25.69%	15.34%
RoCE	2024	11.68%	11.71%
	2023	14.31%	15.82%
	2022	20.17%	15.79%

### **Qualitative Factors**

- Our business is well diversified in terms of long and flat steel products and fabrication & Manufacturing as compared to our peer. However, any factors affecting demand of steel product and price may impact our performance.
- We have larger presence in Bihar for Distribution segment as compared to peer who has pan India presence, this limits our geographical advantage compared to peer and any slowdown in economic activity in Bihar may impact our business.

### **Quantitative Factors**

- Our major revenue is derived from distribution of steel product. Hence, demand for steel and prices may impact our financial performance and profitability.
- In line with our revenue, our working capital requirement is also high resulting to higher leverage (Debt / Equity) as compared to our peer. Any change in capital mix, interest cost may impact our leverage and interest expenses and subsequently impacting profitability of our company compared to peer.

Interest Coverage Ratio is a financial metric used for ascertaining the number of times a company can pay off its interest with its current earnings before applicable taxes and interests are deducted. Since our interest coverage ratio is lower than that of peer any change in cost of borrowing may impact our ability to pay the interest in numbers of times with the available earnings.

Further, industry consolidation may affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we compete. Our competitors may further affect our business by entering into exclusive arrangements with our existing or potential clients. There can be no assurance that we will be able to compete successfully against such competitors or that we will not lose our key core employees, associates or clients to such competitors. Additionally, our ability to compete also depends in part on factors outside our control, such as the availability of skilled resources, pricing pressures in the staffing industry and the extent of our competitors' responsiveness to their client's needs. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential entry of new competitors, given the low entry barriers in the industry where we operate, our ability to retain our existing clients and to attract new clients is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in the future nor can there be any assurance that we will, in light of competitive pressures, be able to effectively compete with our competition in the various product and service segments we operate in, whether on the basis of pricing, quality or range of services or otherwise, which could have material adverse effect on our business, results of operations and financial condition.

### **43) If we are unable to secure funding on acceptable terms and at competitive rates when needed, or to service our debt obligations in a timely manner, it may adversely affect our business, credit rating, reputation, prospects, results of operations, cash flows and financial condition.**

Our business and results of operations depend on our ability to raise both, debt and equity from various external sources on suitable terms and in a timely manner, along with the costs associated with them. We secure our funding from banks and NBFC for long term loans, Cash Credit and Channel Finance. Our total indebtedness could have several adverse consequences, including but not limited to the following, a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund onward

lending, capital expenditures and other general corporate requirements; our ability to obtain additional financing in the future at reasonable terms may be restricted. For the period ended December 31, 2024, fiscal 2024, fiscal 2023 and fiscal 2022, we had Long term borrowings from banks of ₹3,422.06 lakhs, ₹4,503.96 lakhs, ₹4,145.49 lakhs and ₹2,529.30 lakhs respectively while the short term borrowings for the period ended December 2024, fiscal 2024, fiscal 2023 and fiscal 2022 was of ₹40,650.12 lakhs, ₹35,025.70 lakhs, ₹24,212.95 lakhs and ₹13,799.29 lakhs, respectively.

The table below sets forth the ageing of various categories of borrowings, as per residual maturity, availed by our Company:

#### Long Term Borrowing Ageing Schedule

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Above 1 Year	3,422.06	4,503.96	4,145.49	2,529.30

#### Short Term Borrowings Ageing Schedule

(Rs. in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Total Short Term Borrowings</b>	<b>40,650.12</b>	<b>35,025.70</b>	<b>24,212.95</b>	<b>13,799.29</b>
<b>Less than 1 Year</b>				
Current Maturities (of Long Term Borrowings)	1,382.90	1,359.54	735.94	612.88
Cash Credit	30,773.61	26,719.76	23,477.01	6,965.26
Channel Finance	8,493.60	6,946.40	-	6,221.15

We might struggle to secure enough funding in the future, which could slow our growth plans. Our success in doing so will be influenced by factors like the credit rating, overall economy, regulations in India, international market trends, and our financial performance.

#### 44) Accidents and natural disasters could result in the slowdown or stoppage of our business and could also cause us to incur liabilities arising from human fatalities and damage to property.

Our machines and operations at our manufacturing/ fabrication units, and our stock stored at our stockyards are subject to hazards inherent to our operations. Risks related to work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe loss or damage to property and environment may be present on our premises. For instance, in 2020 there has been an instance of lightning strike at one of our stockyards in Purnea, Bihar, wherein stocks, weighbridge, electrical equipment, boundary walls, etc. were damaged. Our Company had incurred an estimated loss of ₹21,17,120 on account of such incident. Subsequent to such incident, our Company had applied for a claim of ₹21,17,120 against the insurance availed for securing the stockyard. However, only ₹1,60,383 was approved, and the Company declined to accept this amount from the insurer. Occurrence of any such events could affect our business, reputation, financial condition or results of operations. Further, natural disasters or severe weather conditions, including earthquakes, fires, heavy rains, flooding etc. could adversely affect our business operations.

#### 45) Our business strategy and operational success are influenced by various Key Performance Indicators (KPIs) that we use to measure our performance. If we fail to meet our KPI targets that may have a negative impact on our financial condition.

Our business strategy and operational success are influenced by various Key Performance Indicators (KPIs) that we use to measure our performance. These KPIs include metrics such as Revenue, profitability, Capital ratios and liquidity ratios.

While these KPIs provide valuable insights into our performance, they are subject to inherent limitations. Our ability to achieve the targets set for these KPIs may be impacted by numerous factors, including but not limited to:

1. **Market Conditions:** Fluctuations in market demand, competition, and economic conditions can adversely affect our KPIs and, consequently, our overall business performance.
2. **Operational Challenges:** Any disruptions in our operations, supply chain issues, or changes in customer preferences may affect our ability to meet KPI targets.
3. **Management Decisions:** Our decisions based on KPI performance may not always yield the expected outcomes, which can lead to less than ideal results for the business.
4. **Regulatory Changes:** Changes in laws and regulations may impact our ability to achieve our KPI targets, especially in steel and allied products.
5. **Liquidity Condition:** Change in micro and/or macroeconomic factor may adversely impact steel demand and business performance and accordingly leverage and cost of capital may impact our KPI.

As a result, any failure to meet our KPI targets may have a negative impact on our financial condition, operational performance, and market perception. For further details, please refer section “Basis of Issue Price” on page 139 of the Draft Red Herring Prospectus.

**46) Fraud or misconduct by our employees could adversely affect our reputation, business, results of operations and financial condition.**

Our business is susceptible to acts of fraud committed by our employees. Fraudulent and unauthorized conduct by our employees could also include binding us to transactions that exceed authorized limits or present unacceptable risks or concealing unauthorized or unlawful activities from us. Employee’s misconduct could also involve inter alia misappropriation of funds, cheating our customers, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. In the past, there have not been any material instances of fraud, cheating and misappropriation. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

**47) We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.**

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks. In the event, any breach of our systems or software leads to the leaking of our dealer information or customer information, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors. While, there have been instances of cyberattack using ransomware in the past, however we cannot assure you that such instances will not occur in the future. Since, we maintain physical as well as online back-up of our data, therefore there was no material loss of data of our Company. Occurrence of such events may have an adverse impact on our business, financial condition and results of operations.

Our future success depends in part of our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. Our failure to successfully adopt such technologies in a cost-effective manner could increase our costs thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require

adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

**48) We may be unable to grow our business in additional geographic regions, which may adversely affect our business prospects and results of operations.**

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges and changing market trends in the steel industry, changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products and services. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new markets is important to our long-term prospects. Competing successfully in new markets requires additional management attention and resources to tailor our products and services to the unique aspects of each new territory. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets. If we are unable to make long-lasting relations with the major customers in the new markets or if we are unable to justify the quality of our products and services to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

**49) Our Promoters, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.**

Our Promoters, Directors, Key Managerial Personnel and Senior Management may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Additionally, our Promoters and Directors have provided personal guarantee for the loans availed by our Company.

Our Promoters, Director and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraph titled — “Land and Property” in the chapter titled — “Our Business”, the paragraphs titled — “Interest of our Directors” in the chapter titled — “Our Management”, the paragraphs titled — “Interest of our Promoter and Other Interests and Disclosures” in the chapter titled — “Our Promoter and Promoter Group”, “Financial Indebtedness” and “Restated Financial Information on pages 200, 241 260, 355 and 271, respectively of this Draft Red Herring Prospectus.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders.

**50) Our Promoters and members of the Promoter Group have control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.**

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold 73.02% of the Equity share capital of our Company. As a result, our Promoters and Promoter Group will have the ability to exercise influence over all matters requiring shareholders' approval. Accordingly, our Promoters will continue to retain control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders



may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**51) There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.**

We propose to utilise a portion of the Net Proceeds set out in the section titled "Objects of the Issue" on page 129. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads, as disclosed in the section titled "Objects of the Issue" on page 129. Further, the plans for deployment of the Net Proceeds are in accordance with our management's estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise the management estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, and interest or exchange rate fluctuations and consequently its requirements may change. In addition to above, given the dynamic nature of our business and the industry in which we propose to venture, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling the schedule of deployment at the discretion of our management. While, our Company may revise the plans and schedule for deployment of the Net Proceeds, however the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

In case of any shortfall of the proceeds raised from this Issue, there can be no assurance that we will be able to raise the funds through other sources to meet our obligations of meeting equity contribution towards the objects of the Issue. In case of shortfall in the proceeds of this Issue which are to be utilized for meeting the objects of the Issue, the shortfall will be met by such means as are available to our Company at such future time and at the discretion of the management, including by way of cash available with us or by any other means permissible under law. We cannot assure that we will be able to arrange for adequate cash or will be able to procure further loans to meet the funding requirements. Any failure to meet the additional funding requirements will have a material adverse effect on the implementation of the objects of the Issue

We may also be required to adhere to certain restrictive covenants as regards raising of finance for the units from means other than those sanctioned under our present financing documents. Any failure or delay on our part to raise funds from the Issue or any shortfall in the Issue proceeds and subsequent inability of our Company to source alternate means of finance may delay the implementation of our project and could adversely affect our growth plans.

**52) Our funding requirements and proposed deployment of the Net Proceeds of the Issue have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, our business, cash flows, financial condition and results of operations may be adversely affected.**

We intend to use the Net Proceeds of the Issue for the purposes described in "*Objects of the Issue*" on page 129. The objects of the Issue and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. Whilst a Monitoring Agency will be appointed for monitoring utilization of the Net Proceeds, the proposed utilization of Net Proceeds is based on our current business plan, management estimates, prevailing market conditions and other commercial considerations, which are subject to change and may not be within the control of our management. Based on the competitive nature of our industry, we



may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds subject to compliance of applicable laws. Further, pending utilization of Net Proceeds towards the Objects of the Issue, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or IPO Committee. Accordingly, prospective investors will need to rely upon our management's judgment with respect to the use of Net Proceeds.

**53) The average cost of acquisition of Equity Shares of face value of ₹10 each held by our Promoters could be lower than the Issue Price.**

Our Promoters' average cost of acquisition of Equity Shares of face value of ₹10 each in our Company may be lower than the Issue Price as may be decided by the Company, in consultation with the Book Running Lead Manager. The details of the average cost of acquisition of Equity Shares of face value of ₹10 each held by our Promoters, as at the date of the Draft Red Herring Prospectus is set out below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition* (₹ per share)
1)	Nitin Kishorepuria	1,75,97,200	1.62
2)	Sabita Devi Kishorepuria	57,98,200	15.58
3)	Rachna Kishorepuria	44,64,000	11.58
4)	Bijay Kumar Kishorepuria	39,66,600	7.15
5)	BMW Fin-Invest Private Limited	2,43,82,600	0.68
6)	Ridhisidhi Fincon Private Limited	55,35,000	2.00

\*As certified by A D V & Associates, by way of their certificate dated March 28, 2025.

For more details regarding weighted average cost of acquisition of Equity Shares of face value of ₹10 each by our Promoters and build-up of Equity Shares of face value of ₹10 each by our Promoters in our Company, see "Capital Structure" beginning on page 105.

**54) Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.**

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**55) We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.**

As of December 31, 2024, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information aggregated to ₹5,745.00 lakhs. The details of our contingent liabilities are as follows:

(₹ in lakhs)	
Particulars	Amount
The Company has given Corporate Guarantee for BMW Enterprises for Credit Facility to Punjab National Bank, Patna	5,745.00
<b>Total</b>	<b>5,745.00</b>

For further details of contingent liability, see the section titled — “*Financial Information*” on page 271 of this Draft Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**56) Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.**

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 355 of this Draft Red Herring Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

**57) In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.**

As on December 31, 2024 our Company’s total indebtedness is ₹44,072.17 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 355 of this Draft Red Herring Prospectus.

**58) The activities carried out at our manufacturing / fabrication facilities, including any hazardous activity, can cause injury to people or property in certain circumstances.**

The activities carried out at our manufacturing/ fabrication facilities may be potentially dangerous to our employees. While we provide a safe and healthy working environment which is compliant with applicable occupational health and safety management system and environmental management system regulations, we believe to be adequate insurance including group personal accident policy, there is a risk that an accident may occur at our

manufacturing / fabrication facilities. An accident may result in personal injury to our employees, or the labour deployed at our manufacturing / fabrication facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. We have not encountered any fatalities or any employee injuries in the period ended December 31, 2024 and in the last three Fiscals. However, any such future accident may result in litigation, the outcome of which is difficult to assess or quantify, the cost to defend such litigation can be significant and our insurance may not be sufficient to provide complete coverage. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, results of operations, financial condition, cash flows and future prospects.

Our operations are subject to operating risks associated with manufacturing/ fabrication, including related to handling and storage of raw materials used in our manufacturing/ fabrication processes. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including:

- explosions;
- fires;
- mechanical failures and other operational problems; and
- inclement weather and natural disasters.

The occurrence of any of these hazards could result in a suspension of operations and the imposition of civil or criminal liabilities. We may also face claims and litigation, in India or overseas, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our manufacturing/ fabrication facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations and financial condition could be adversely affected.

**59) Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Although our Company has declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” on pages 270 of this Draft Red Herring Prospectus.

**60) Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors’ assessments of our Company’s financial condition.**

Our Restated Financial Statements for the period ended December 31, 2024 and for the Financial Years 2024, 2023 and 2022 included in this Draft Red Herring Prospectus are presented in conformity with Ind AS, in each case restated in accordance with the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or U.S. 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 U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in respects from Ind AS and Indian GAAP, which may differ from accounting principles with which prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar

with Indian accounting practices, Ind AS, the Companies Act and the SEBI Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

**61) This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, commissioned by us for the purpose of the Issue for an agreed fee.**

This Draft Red Herring Prospectus contains information from an industry report titled “Assesment of Steel Industry in Bihar” prepared by CRISIL which we have commissioned and paid for. This Draft Red Herring Prospectus includes information that is derived from the CRISIL Report, prepared by CRISIL, a research house, pursuant to an engagement letter dated February 07, 2025 with our Company. CRISIL has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (Information), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. CRISIL also highlights certain industry and market data, which may be subject to estimates and/or assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and / or assumptions may change based on various factors. We cannot assure you that CRISIL’s estimates and / or assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CRISIL Report are also based on discussions / conversations with industry sources, and may not, have been nor be capable of being, independently verified. Further, the CRISIL Report is not a recommendation to invest or disinvest in our Company. CRISIL has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report.

**Risks in relation to the Issue**

**62) Our Equity Shares have never been publicly traded, and after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.**

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of our Equity Shares has been determined through a book-building process and will be based on numerous factors, including factors as described under “*Basis for Issue Price*” on page 139, and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. Further, the current market price of some of the securities listed pursuant to certain previous issues managed by the BRLM is below their respective issue prices. For further details, see “*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager*” on page 374. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of new products, significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations or changes in laws and government regulations applicable to our industry;
- additions or departures of Key Managerial Personnel and Senior Management Personnel;

- general economic and stock market conditions; and
- changes in relation to any of the factors listed above could affect the price of our Equity Shares.

Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**63) QIBs and Non-Institutional Bidders 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 Bid/Issue Closing Date.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three (03) Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

**64) Fluctuations in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.**

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

**65) There is no guarantee that our Equity Shares will be listed on BSE and NSE in a timely manner or at all.**

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**66) The requirements of being a listed company may strain our resources.**

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the Listing Regulations which will 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 or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required 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 will 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 we cannot assure you that we will be able to do so in a timely and efficient manner.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

**68) Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India 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.

**69) Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" page 415. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the

Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

**70) 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.

**71) 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 of an Indian company are generally taxable in India. Capital gains arising from the sale of the Equity Shares of face value of ₹10 each may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares. The Finance Act, 2019 has 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 certain 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. These amendments have come into effect from July 1, 2020. Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2021, which followed, removed the requirement for DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

Under Section 80E of the Income Tax Act, interest paid on loans availed to pursue higher education is deductible from the taxable income of an assessee. However, the said deduction is only applicable to higher education loans extended by: (a) banking companies regulated by the Banking Regulation Act, 1949 and (b) other financial institutions notified by the Central Government under Section 80E of the Income Tax Act. Since our Company is an NBFC and has not been recognized as a financial institution under Section 80E of the Income Tax Act, our customers to whom we extend loans for higher education may not be able to claim a deduction of the interest payment from their taxable income in terms of Section 80E of the Income Tax Act. This may affect our competitive advantage as a preferred financier in comparison to those entities that qualify as a banking company or financial institution under Section 80E of the Income Tax Act.

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.

**72) 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 Takeover Regulations,



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

**73) Subsequent to the listing of the Equity Shares, we may be subject to pre-emptive surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.**

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market based parameters such as high low price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. Securities are subject to GSM when its price is not commensurate with the financial health and fundamentals of the issuer. Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of 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 trading market for our Equity Shares.

**External Risk Factors**

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

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in and currently functioning only in India and, as a result, are dependent on prevailing economic conditions in India. Our results of operations are affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for 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;
- 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 (such as hurricanes, typhoons, floods, earthquakes, tsunamis and fires) which may cause us to suspend our operations;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war may adversely affect the Indian markets as well as result in a loss of business confidence in Indian companies;
- epidemics, pandemics or any other public health concerns in India or in countries in the region or globally, including in India’s various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- any downgrading of India’s debt rating by a domestic or international rating agency;
- international business practices that may conflict with other customs or legal requirements to which we are

- subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

While our results of operations may not necessarily track India's economic growth figures, the Indian economy's performance nonetheless affects the environment in which we operate. Any slowdown or perceived slowdown in 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.

**75) Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, cash flows and prospects.**

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. 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.

Further, the GoI 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, were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The GoI 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 impact 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 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 impact the viability of our current business or restrict our ability to grow our business in the future.

**76) Any downgrading of India's debt rating by an international rating agency could have a negative effect on our business and the trading price of the Equity Shares.**

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are beyond our control. Our borrowing costs and our access to the debt capital markets depend on the sovereign credit ratings of India. Any adverse revisions to India's

credit ratings for domestic and overseas debt by international rating agencies may adversely affect our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

**77) Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading 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 foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, 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. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Further, foreign investment in steel industry, irrespective of entry route, is further subject to additional conditions in relation to the production level of NLEM drugs and research and development expenses. For further information, see “Restrictions on Foreign Ownership of Indian Securities” on page 415. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions, or at all, or that we will be able to continue to comply with all the conditions prescribed under the FEMA Rules.

**78) 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.

**79) Investors may have difficulty in enforcing foreign judgments against our Company or our management.**

Our Company is a company incorporated under the laws of India. All of our Directors and executive officers are citizens and residents of India. Our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the “**Civil Procedure Code**”). India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Procedure Code. The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on 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, on 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; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

## SECTION III-INTRODUCTION

### THE ISSUE

The following table summarizes details of the Issue:

Equity Shares Issued <sup>(1)</sup>	Up to 2,34,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs
<b>The Issue consists of</b>	
QIB Portion <sup>(2) (3)</sup>	Not more than [●] Equity Shares of face value of ₹10 each
<b>Of which:</b>	
Anchor Investor Portion <sup>(2)</sup>	Up to [●] Equity Shares of face value of ₹10 each
Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹10 each
<b>Of which:</b>	
Available for allocation to Mutual Funds only (5.00% of the QIB Portion (excluding Anchor Investor Portion)) <sup>(3)</sup>	At least [●] Equity Shares of face value of ₹10 each
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹10 each
<b>Non-Institutional Category<sup>(5)</sup></b>	Not less than [●] Equity Shares of face value of ₹10 each
<b>Of which:</b>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹10,00,000	[●] Equity Shares of face value of ₹10 each
Two-third of the Non-Institutional Category available for allocation to Non-Institutional Bidders with an application size of more than ₹10,00,000	[●] Equity Shares of face value of ₹10 each
<b>Retail Portion<sup>(3) (4)</sup></b>	Not less than [●] Equity Shares of face value of ₹10 each
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	6,33,15,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	8,67,15,000 Equity Shares of face value of ₹10 each
Utilisation of Net Proceeds	See “Objects of the Issue” beginning on page 129 for information about the use of the Net Proceeds.

- (1) *The Issue has been authorized by a resolution of our Board dated March 25, 2025 and has been approved by a special resolution dated March 27, 2025 passed by our Shareholders.*
- (2) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoters, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Issue, subject to receipt of minimum subscription for 90% of the Issue, compliance with Rule 19(2)(b) of the SCRR and allotment of not more than 50% of the Issue to QIBs, Equity Shares shall be allocated in the manner specified in the section “Terms of the Issue” beginning on page 386 of this Draft Red Herring Prospectus.*
- (3) *Our Company and the Promoters may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, 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 remaining Equity Shares shall be added to the Net QIB portion. 5% of the QIB Portion (excluding Anchor Investor portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor*

*Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” beginning on page 395.*

- (4) Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids having being received at or above the Issue Price, as applicable. 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, may be allocated on a proportionate basis.*

*For further details, please see “Issue Procedure” on page 395 of this Draft Red Herring Prospectus.*

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## **SUMMARY OF FINANCIAL INFORMATION**

The following tables set forth summary financial information derived from the Restated Financial Statements. The Restated Financial Statements has been prepared, based on financial statements for the period ended December 31, 2024 and as at for the Fiscals 2024, 2023 and 2022. The Restated Financial Statements have been prepared in accordance with IND AS and the Companies Act 2013, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled “Restated Financial Statements” on page 271.

The summary financial information presented below should be read in conjunction with the chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 271 and 330 respectively.

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**Restated Summary Statement of Assets and Liabilities:**

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	10,762.75	8,039.12	6,854.46	5,668.80
Capital Work In Progress	273.60	1,624.72	130.96	-
ROU Assets		-	420.38	458.82
Investment Properties	2,605.39	2,508.34	2,477.87	2,044.37
Intangible Assets	28.42	36.35	46.91	51.89
Financial Assets				
(i) Investments				
(ii) Others	293.42	137.00	526.64	406.81
Other Non-Current Assets	284.89	259.17	562.53	632.48
<b>Total Non-Current Assets</b>	<b>14,248.46</b>	<b>12,604.69</b>	<b>11,019.75</b>	<b>9,263.17</b>
<b>Current Assets</b>				
Inventories	32,733.33	32,067.46	23,459.08	12,430.29
Financial Assets				
(i) Investments	236.18	175.34	121.44	8.34
(ii) Trade Receivables	20,961.96	14,100.29	10,993.34	10,766.88
(iii) Cash and Cash Equivalents	114.88	52.86	27.94	563.44
(iv) Bank balances other than (ii) above	211.80	387.74	-	117.21
(v) Loans and advances	1,055.17	2,672.43	48.46	85.11
Other Current Assets	1,333.91	2,530.43	2,389.85	1,453.20
Income Tax Assets (net)	-	23.55	118.80	145.98
<b>Total Current Assets</b>	<b>56,647.22</b>	<b>52,010.10</b>	<b>37,158.91</b>	<b>25,570.45</b>
<b>Total Assets</b>	<b>70,895.68</b>	<b>64,614.79</b>	<b>48,178.66</b>	<b>34,833.63</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	6,331.50	6,331.50	1,582.88	1,582.88
Other Equity	14,519.31	12,339.31	14,064.82	10,848.74
<b>Total Equity</b>	<b>20,850.81</b>	<b>18,670.81</b>	<b>15,647.70</b>	<b>12,431.62</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	3,422.06	4,503.96	4,145.49	2,529.30
(ii) Lease Liabilities	-	-	368.38	392.58
(iii) Other	32.00	20.00	25.00	21.00
Provisions	126.71	67.34	87.18	39.01
Deferred Tax Liabilities (net)	514.54	313.40	208.23	212.73
<b>Total Non-Current Liabilities</b>	<b>4,095.30</b>	<b>4,904.70</b>	<b>4,834.29</b>	<b>3,194.62</b>
<b>Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	40,650.12	35,025.70	24,212.95	13,799.29
(ii) Lease Liabilities	-	-	60.00	88.26
(iii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	2,644.78	2,387.48	527.77	295.88
(iv) Other Financial Liabilities	887.65	995.66	1,781.61	3,440.50
Other Current Liabilities	1,645.60	2,571.92	1,070.59	1,544.92
Provisions	63.36	58.51	43.76	38.55
Current Tax Liabilities (Net)	58.06	-	-	-
<b>Total Current Liabilities</b>	<b>45,949.57</b>	<b>41,039.27</b>	<b>27,696.67</b>	<b>19,207.39</b>
<b>Total Equity and Liabilities</b>	<b>70,895.68</b>	<b>64,614.79</b>	<b>48,178.66</b>	<b>34,833.63</b>

**Restated Summary Statement of Profit and Loss:**

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Income</b>				
Revenue From Operations	1,47,717.92	1,93,819.63	2,01,509.72	1,56,358.80
Other Income	324.74	383.52	302.51	284.95
<b>Total Income</b>	<b>1,48,042.65</b>	<b>1,94,203.15</b>	<b>2,01,812.23</b>	<b>1,56,643.75</b>
<b>Expenses</b>				
Cost of Material Consumed	351.13	1,780.50	662.11	486.33
Purchase of stock in Trade	1,33,876.88	1,83,847.15	1,97,426.61	1,43,016.47
Changes in Inventories	(652.34)	(8,575.21)	(11,296.27)	(550.37)
Employee Benefit Expenses	1,151.68	2,014.64	1,902.14	1,672.04
Finance Costs	2,858.86	2,799.27	2,065.15	1,642.09
Depreciation Expense	356.09	419.69	395.51	473.23
Other Expenses	7,005.17	7,880.40	6,333.05	5,604.57
<b>Total Expenses</b>	<b>1,44,947.48</b>	<b>1,90,166.44</b>	<b>1,97,488.29</b>	<b>1,52,344.35</b>
<b>Profit Before Tax</b>	<b>3,095.18</b>	<b>4,036.70</b>	<b>4,323.94</b>	<b>4,299.40</b>
<b>Tax Expense</b>				
Current Tax	705.14	947.95	1,045.83	1,045.34
Tax provisions for earlier year				
Deferred Tax	203.38	95.22	12.24	60.05
<b>Total Tax Expense</b>	<b>908.52</b>	<b>1,043.16</b>	<b>1,058.08</b>	<b>1,105.39</b>
<b>Profit for the period</b>	<b>2,186.66</b>	<b>2,993.54</b>	<b>3,265.86</b>	<b>3,194.01</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Re-measurement gain/(loss) on defined benefit plans	(8.91)	39.53	(66.51)	18.15
Income tax relating to re-measurement gain on defined benefit plans	2.24	(9.95)	16.74	(4.57)
<b>Total Other Comprehensive Income</b>	<b>(6.66)</b>	<b>29.58</b>	<b>(49.77)</b>	<b>13.59</b>
<b>Total Comprehensive Income</b>	<b>2,180.00</b>	<b>3,023.12</b>	<b>3,216.09</b>	<b>3,207.60</b>
<b>Earnings Per Share (In Rs)</b>				
(1) Basic	3.45	4.73	5.16	5.04
(2) Diluted	3.45	4.73	5.16	5.04

# Restated Summary Statement of Cash Flows

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Cash Flow From Operating Activities</b>				
Profit before tax	3,095.18	4,036.70	4,323.94	4,299.40
<b>Adjustments for:</b>				
Depreciation expense	356.09	419.69	395.51	473.23
Finance Costs	2,858.86	2,799.27	2,065.15	1,642.09
Interest Income	(70.60)	(119.75)	(89.79)	(97.80)
(Profit)/Loss on sale of property, plant and equipment's	-	-	(2.28)	2.21
Fair Value gain and loss	(2.73)	(1.60)	(66.51)	18.15
<b>Operating profit before working capital changes</b>	<b>6,236.80</b>	<b>7,134.30</b>	<b>6,626.02</b>	<b>6,337.28</b>
<b>Adjustments for:</b>	<b>-</b>			
Decrease/(Increase) in Inventories	(665.87)	(8,608.38)	(11,028.79)	(1,130.43)
Decrease/(Increase) in Loans	1,617.26	(2,623.97)	352.05	(85.11)
Decrease/(Increase) in Trade Receivables	(6,861.67)	(3,106.95)	(226.46)	126.12
Decrease/(Increase) in Other Financial Assets	(20.06)	25.01	(5.51)	29.65
Decrease/(Increase) in Other assets	1,170.81	162.78	(936.65)	(1,366.18)
Increase/(Decrease) in Trade Payables	257.30	1,859.71	231.89	(180.51)
Increase/(Decrease) in Other Financial Liabilities	(96.01)	(790.95)	(1,654.89)	1,256.80
Increase/(Decrease) in Other Liabilities	(926.32)	1,501.33	(474.33)	171.15
Increase/(Decrease) in Provisions	73.12	(5.08)	53.37	(99.05)
<b>Cash Flow from Operating Activities Post Working Capital Changes</b>	<b>785.36</b>	<b>(4,452.20)</b>	<b>(7,063.29)</b>	<b>5,059.72</b>
Direct taxes	(623.53)	(852.69)	(1,030.47)	(1,103.45)
<b>Net cash flow from operating activities (A)</b>	<b>161.83</b>	<b>(5,304.89)</b>	<b>(8,093.76)</b>	<b>3,956.27</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Property Plant and Equipment	(1,817.72)	(2,697.63)	(2,108.84)	(2,585.65)
Sale of Property Plant and Equipment	-	-	8.91	46.99
Investment in Fixed Deposits	39.58	(23.11)	2.89	(59.24)
Interest received	70.60	119.75	89.79	97.80
Increase/(Decrease) in Investment	(58.11)	(50.18)	(113.10)	(8.16)
<b>Net cash used in investing activities (B)</b>	<b>(1,765.65)</b>	<b>(2,651.17)</b>	<b>(2,120.35)</b>	<b>(2,508.26)</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from Borrowings	4,542.51	11,171.22	12,029.85	(753.76)
Interest paid	(2,858.86)	(2,799.27)	(2,065.15)	(1,642.09)
Less: Principle	-	(390.97)	17.50	(393.61)
<b>Net cash used in financing activities (C)</b>	<b>1,683.65</b>	<b>7,980.98</b>	<b>9,982.21</b>	<b>(2,789.46)</b>
<b>Net Increase in cash and cash Equivalents (A+B+C)</b>	<b>79.83</b>	<b>24.92</b>	<b>(231.91)</b>	<b>(1,341.45)</b>
<b>Cash and cash equivalents as at beginning of the Period</b>	<b>52.86</b>	<b>27.94</b>	<b>563.44</b>	<b>858.69</b>
<b>Cash and cash equivalents as at end of the Period</b>	<b>114.88</b>	<b>52.86</b>	<b>27.94</b>	<b>563.44</b>
<b>Net Increase in cash and Cash Equivalents</b>	<b>62.02</b>	<b>24.92</b>	<b>(535.50)</b>	<b>(295.25)</b>

## GENERAL INFORMATION

Our Company was originally incorporated as “BMW Ventures Limited” at Patna, Bihar on October 07, 1994, as a Public Limited Company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bihar, Patna, bearing Corporate Identification Number U25111BR1994PLC006131 and Certificate of Commencement of Business was issued on October 19, 1994 at Patna.

For details please refer to the section titled “History and Certain Corporate Matters” beginning on page 235 of this Draft Red Herring Prospectus.

**Registered Office of our Company** : 1<sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004.

**Corporate Identification Number** : U25111BR1994PLC006131

**Registration Number** : 006131

**Registrar of Companies** : Registrar of Companies, Patna

### Board of Directors of our Company:

As on the date of this Draft Red Herring Prospectus, our Company’s Board comprises of the following Directors:

Name, Age, DIN	Address	Designation
Nitin Kishorepuria Age: 47 DIN: 00626377	Kataruka Niwas, Near Hotel Panache, South Gandhi Maidan, Phulwari, Patna-800001.	Managing Director
Rachna Kishorepuria Age: 45 DIN: 01093753	Kataruka Niwas, Near Hotel Panache, South Gandhi Maidan, Phulwari, Patna-800001.	Whole-Time Director
Bijay Kumar Kishorepuria Age: 73 DIN: 00626283	Kataruka Niwas, 4 <sup>th</sup> Floor, South Phulwari, Gandhi Maidan, Patna-800001.	Chairman & Whole-Time Director
Sabita Devi Kishorepuria Age: 69 DIN: 00626490	Kataruka Niwas, 4 <sup>th</sup> Floor, South Phulwari, Gandhi Maidan, Patna-800001.	Non-Executive Director
Sourabh Ajmera Age: 34 DIN: 06876514	B-01, Krupalu Kutir, SVP Road, Opp. HDFC Bank, Patel Wadi, Chamunda Circle, Borivali (West), Mumbai-400092.	Independent Director
Yogesh Tulsyan Age: 70 DIN: 07969660	S B Roy Road, Near Vrindawan Sweets, B Deoghar-814112.	Independent Director
Ravi Jagetiya Age: 38 DIN: 08734797	B-303, Eklavya Co-Operative Housing Society, N L Complex, Near Mugraneshwar Mahadev Mandir, Dahisar (East), Mumbai-400068.	Independent Director
Arpit Jagdishchandra Kabra Age: 37 DIN: 03417686	D-802, Gayatri Darshan, Thakur Complex, Next to Suruchi Hotel, Kandivali (East), Mumbai-400101.	Independent Director

For further details of the Board of Directors, please refer to the section titled “Our Management” beginning on page 241.

## Company Secretary & Compliance Officer

### **Ms. Ruchika Maheshwari Kejriwal**

c/o BMW Ventures Limited  
1<sup>st</sup> Floor, Mona Cinema Complex,  
East Gandhi Maidan, Patna-800004.  
**Tel:** +91 81022 23771/74  
**Email:** cs@bmwventures.com

## Key Intermediaries to the Issue:

### **Book Running Lead Manager**



S A R T H I

### **Sarthi Capital Advisors Private Limited**

401, 4<sup>th</sup> Floor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai-400098  
**Tel:** +91 22 26528671/72  
**Contact Person:** Pankaj Chaurasia  
**Email:** ipo@sarthiwm.in  
**Website:** www.sarthi.in  
**SEBI Registration No.:** INM000012011

### **Registrar to the Issue**



### **Cameo Corporate Services Limited**

Subramanian Building, 1, Club House Road, Chennai-600002  
**Tel No.:** +91 44 4002 0700  
**E-Mail Id:** bmw@cameoindia.com  
**Investor Grievance E-Mail Id:** investor@cameoindia.com  
**Website:** www.cameoindia.com  
**Contact Person:** Ms. K. Sreepriya  
**SEBI Registration No.:** INR000003753

### **Statutory & Peer Reviewed Auditors**

### **M/s A D V & Associates**

Chartered Accountants  
B-601, Raylon Arcade, R.K. Mandir Road, J.B. Nagar, Andheri (East), Mumbai-400059  
**Contact No.:** +91 99988 71892  
**Email:** advassociates@gmail.com  
**Contact Person:** Pratik Kabra  
**Firm Registration No.:** 128045W  
**Membership No.:** 611401  
**Peer Review Certificate No.:** 013993



## **Legal Advisor to the Issue**

### **T & S Law**

Unit Number 15, Logix Technova, Block B, Sector 132, Noida – 201304, Uttar Pradesh.

**Tel. No.:** +91 99561 14287

**Email:** info@tandslaw.in

**Contact Person:** Sagarika Kapoor

## **Banker to our Company**

### **Punjab National Bank Limited**

Exhibition Road, Patna-800001

**Tel. No.:** +91 89790 03000

**Email:** bo023110@pnb.co.in

**Contact Person:** Shivraj Rudra

## **Syndicate Member**

[•]

*\*will be finalized prior to the filing of the Red Herring Prospectus*

## **Escrow Collection Bank / Refund Banker**

[•]

*\*will be finalized prior to the filing of the Red Herring Prospectus*

## **Public Issue Banker**

[•]

*\*will be finalized prior to the filing of the Red Herring Prospectus*

## **Sponsor Bank**

[•]

*\*will be finalized prior to the filing of the Red Herring Prospectus*

## **Changes in Auditors during last three Financial Years**

There have been no changes in the auditors of our Company during the last three financial years preceding the date of this Draft Red Herring Prospectus.

## **Investor Grievances**

Investors may contact the Company Secretary & Compliance Officer and or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances including 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 Issue related queries and for redressal of complaints, investors may also write to the BRLM.

All Issue-related grievances, other than of Anchor Investors, were required to be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) 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, PAN, address of Bidder, number of 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), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder was also required to enclose the Acknowledgment Slip or the application number from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids

submitted through Registered Brokers were required to be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue was required to obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, 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 BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

#### **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with Board and the Registrar of Companies:**

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI's online portal at <https://siportal.sebi.gov.in> in accordance with SEBI master circular bearing reference SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of the SEBI ICDR Regulations. Physical copies of this Draft Red Herring Prospectus 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 I,  
Mumbai-400051

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for filing to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for filing to the RoC at Patna and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>

#### **Statement of inter se allocation of Responsibilities for the Issue**

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

#### **Designated Intermediaries**

##### ***Self-Certified Syndicate Banks (SCSBs)***

The list of banks that have been notified by SEBI to act as the SCSBs under the SEBI (Bankers to an Issue) Regulations, 1994 for the (i) ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable, or such websites as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and updated from time to time. For details of the list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and as updated from time to time, please refer to the above-mentioned link.

##### ***Eligible 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, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the UPI Bidders 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, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided in the SEBI circular number

SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>, as updated from time to time.

### ***Registered Broker***

Bidders can submit ASBA Forms in the Issue using the stock-broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centre. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of exchanges at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx) and [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

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

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the stock exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [https://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investor) submitted 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 (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any other website prescribed by SEBI from time to time.

### **Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI**

The list of Self Certified Syndicate Banks eligible as sponsor banks for UPI Mechanism, including details such as name and contact details, are provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>, or such other websites 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, are provided on the websites of NSE at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites as updated from time to time.

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

## **Experts**

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

Our Company has received a written consent dated March 28, 2025 from our Statutory and the Peer Review Auditor, namely, A D V & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include

their names as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/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 Auditor, and in respect of their (a) examination report dated February 20, 2025, on the Restated Financial Information, (b) report dated April 01, 2025 on the statement of possible special tax benefits available to our Company and its 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.

Our Company has received written consent dated April 30, 2024, from the Independent Chartered Engineer, namely M/s. Bhartia & Associates (**Registration Number: F-117722-9**), to include their name in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated March 17, 2025, certifying the production capacity and extent of utilization of the manufacturing facilities of our Company included under “Our Business” beginning on page 200 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

#### **Brokers to the Issue**

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

#### **Credit Rating**

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

#### **Trustees**

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

#### **Debenture Trustees**

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

#### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

#### **IPO Grading**

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

#### **Monitoring Agency**

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilization of the Gross Proceeds from the Issue prior to the filing of the Red Herring Prospectus. For details in relation to the proposed utilization of the Gross Proceeds, see the section titled “Objects of the Issue” on page 129.

#### **Appraising Entity**

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

#### **Book Building Process**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily

newspaper each with wide circulation as also Hindi being the regional language of Patna, where the registered office is situated at least two working days prior to the Bid/ Issue Opening Date. The Issue Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

**All bidders (other than UPI Bidders and Anchor Investors) can participate in this issue only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In addition to this, the ASBA Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) in case of UPI Investors, through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. 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 whose application sizes are up to ₹500,000 shall use the UPI Mechanism.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors 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. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until the Bid/Offer Closing Date. Anchor Investors are not allowed to revise and/or withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to Retail Individual Investors, Non-Institutional Investors, and the Anchor Investors, allocation in the Offer will be on a proportionate basis. For further details on the method and process of Bidding, see “*Issue Structure*” and “*Issue Procedure*” on pages 392 and 395 respectively.**

**Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Issue, by submitting their Bid in the Issue.**

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

Bidders should note that this Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchange, which our Company shall apply for after Allotment. For further details, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 392 and 395, respectively of this Draft Red Herring Prospectus.

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

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “*Issue Procedure*” on page 395 of this Draft Red Herring Prospectus.

#### **Withdrawal of the Issue**

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

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where public announcement under sub-regulation (2) of Regulation 26 was published and the Stock Exchanges will also be informed promptly.

The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft

Offer Document with the stock exchanges where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final ROC approval of the Prospectus.

## Underwriting

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company intend to enter into the Underwriting Agreement with the Underwriter for the Equity Shares. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriter have indicated their intention to underwrite the following number of Equity Shares:

Name and Address of the Underwriter	Indicative Number of Equity shares of face value of ₹10 each to be Underwritten	Amount Underwritten (₹ in Lakhs)*	% of the Total Issue Size Underwritten
[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

*\*Will be updated in the prospectus upon determination of price through Book Building Process.*

The above-mentioned is indicative underwriting and will be finalized after determination and finalization of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their underwriting obligations in full. The abovementioned Underwriter are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors has accepted and entered into the Underwriting Agreement on behalf of our Company.

Allocation of the Underwriter may not necessarily be in proportion to their underwriting commitment. Notwithstanding the above table, the Underwrite shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers or subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

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## CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Aggregate Value	
		Face Value	Issue Price*
<b>A</b>	<b>Authorized Share Capital</b>		
	9,00,00,000 Equity Shares of Face Value of ₹10.00 each	9,000.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital</b>		
	6,33,15,000 fully paid up Equity Shares of Face Value of ₹10.00 each issued & fully paid	6,331.50	-
<b>C</b>	<b>Present Issue in Terms of the Draft Red Herring Prospectus<sup>(1)</sup></b>		
	2,34,00,000 Equity Shares of Face Value of ₹10 each	2,340.00	[●]
<b>D</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	8,67,15,000 Equity Shares of Face Value of ₹10 each	8,671.50	[●]
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]

\*Subject to finalization of Basis of Allotment.

<sup>(1)</sup> The Issue has been authorized by a resolution of our Board dated March 25, 2025 and the same has been authorised by a resolution of our Shareholders dated March 27, 2025.

### Class of Shares

As on date, our Company has only one class of Share Capital i.e. Equity Share

Further, our Company has no outstanding convertible instrument as on the date of this Draft Red Herring Prospectus.

### Changes in the authorized share capital of our Company

For details of the changes to the authorized share capital of our Company, see “History and Certain Corporate Matters- Amendments to our Memorandum of Association” on page 235.

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## 1. Notes on Capital Structure

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

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
October 07, 1994 (On Incorporation)	700	10.00	10.00	Subscription to MoA	Cash	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-100 2. Sabita Devi Kishorepuria-100 3. Binod Kumar Kishorepuria-100 4. Santoshi Kishorepuria-100 5. Dinesh Dhanuka-100 6. Balkrishna Khetan-100 7. Chandra Bhushan Kumar-100	700	7,000
March 31, 1995*	1,60,900	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-10,000 2. Binod Kumar Kishorepuria-10,000 3. Santoshi Kishorepuria-10,000 4. Vikas Kumar Kishorepuria-1,900 5. Praveen Kumar Kishorepuria -9,000 6. Jivni Devi Kishorepuria-10,000 7. Pramod Kumar-20,000 8. Anil Kumar Kishorepuria-20,000 9. Raj Kumar Kishorepuria-20,000 10. Sunil Kumar Kishorepuria-20,000 11. Nirmala Devi Kishorepuria-30,000	1,61,600	16,16,000
August 12, 1995	1,32,800	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-25,500 2. Sabita Devi Kishorepuria-13,800 3. Raj Kumar Kishorepuria-10,000 4. Jivan Sagar Promoters Private Limited. -50,000 5. Nitin Kishorepuria-10,500 6. Nupur Kishorepuria-13,000 7. Sajjan Kumar-10,000	2,94,400	29,44,000
January 31, 1996	60,000	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-10,000 2. Nitin Kishorepuria-10,000 3. Nupur Kishorepuria-10,000 4. Sabita Devi Kishorepuria-10,000 5. Sajjan Kumar-10,000	3,54,400	35,44,000

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						6. Santoshi Kishorepuria-10,000		
March 31, 2000	15,600	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Arvind Khetan-500 2. Ansarul Haque-500 3. B K Khetan-2000 4. B K Pandey-500 5. Binay Kumar Bose-500 6. Ganesh Prasad Singh-500 7. Govind Kumar Lal-500 8. Krishna Kumar Khetan-2,100 9. Mridu Chandra Choudhary-500 10. R K Khetan-1,000 11. P K Sinha-500 12. R A Pathak-1,000 13. Ramesh Chandra Mishra-500 14. Rathindra Nath Choudhary-500 15. Rajesh Kumar Sinha-500 16. Rajeev Kumar Kalyani-500 17. Subrata Roy Choudhary-1,000 18. Sunil Kumar Mishra-500 19. Suarnaly Roy Choudhary-500 20. Yugal Kishore Mishra-1,000 21. Baleshwar Singh-500	3,70,000	37,00,000
December 16, 2002	3,70,000	10.00	-	Bonus Issue	-	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-45,600 2. Sabita Devi Kishorepuria-23,900 3. Binod Kumar Kishorepuria-10,100 4. Santoshi Kishorepuria-10,100 5. Dinesh Dhanuka-100 6. Bal Krishna Khetan-100 7. Chandra Bhushan Kumar-100 8. Nirmala Devi Kishorepuria-30,000 9. Sunil Kumar Kishorepuria-20,000 10. Raj Kumar Kishorepuria-30,000 11. Anil Kumar Kishorepuria-20,000 12. Pramod Kumar Kishorepuria-20,000 13. Jivni Devi Kishorepuria-10,000 14. Praveen Kumar Kishorepuria-9,000	7,40,000	74,00,000

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						15. Vikas Kumar Kishorepuria-1,900 16. Jivan Sagar Promoters Private Limited-50,000 17. Nitin Kishorepuria-20,500 18. Nupur Kishorepuria-23,000 19. Sajjan Kumar Kishorepuria-20,000 20. Santosh Devi Kishorepuria-10,000 21. Arvind Khetan-500 22. Ansarul Haque-500 23. B K Khetan-2,000 24. B K Pandey-500 25. Baleshwar Singh-500 26. Binay Kumar Bose-500 27. Ganesh Prasad Singh-500 28. Govind Kumar Lal-500 29. Krishna Kumar Khetan-2,100 30. Mridu Chandra Choudhary-500 31. P K Khetan-1,000 32. P K Sinha-500 33. R A Pathak-1,000 34. Ramesh Chandra Mishra-500 35. Rathindra Nath Choudhary-500 36. Rajesh Kumar Sinha-500 37. Rajeev Kumar Kalyani-500 38. Subrata Roy Choudhary-1,000 39. Sunil Kumar Mishra-500 40. Suarnaly Roy Choudhary-500 41. Yugal Kumar Mishra-1,000		
December 16, 2002	2,50,000	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. BFL Private Limited-1,50,000 2. SRM Private Limited-1,00,000	9,90,000	99,00,000
March 27, 2003	3,20,000	10.00	10.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Ankit Kishorepuria-20,000 2. Anubhav Kishorepuria-10,000 3. Bijay Kumar Kishorepuria-50,000 4. B K Kishorepuria HUF-9,500 5. Sabita Devi Kishorepuria-10,000 6. B K Pareek-1,000	13,10,000	1,31,00,000

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						7. Bhagwan Mishra-1,000 8. Bhagwan Das Sagarmal-38,000 9. Binod Kishorepuria (HUF)-15,000 10. Santoshi Kishorepuria-25,000 11. Deepak Agarwal-1,000 12. Rachna Kishorepuria-50,000 13. Raj Kumar Kishorepuria (HUF)-15,000 14. Rajeev Kumar Malviya-500 15. S K Sinha-1,000 16. Pramod Kumar Kishorepuria-20,000 17. Nitin Kishorepuria-12,200 18. Nupur Kishorepuria-11,800 19. Sajjan Kumar Kishorepuria-20,000 20. Ansarul Haque-500 21. B.K. Kumar -500 22. Baleshwar Singh-500 23. Binay Kumar Bose-500 24. Ganesh Prasad Siggh-500 25. Ramesh Chandra Mishra-500 26. Rajesh Kumar Sinha-500 27. Rajeev Kumar Kalyani-500 28. Sunil Kumar Mishra-500 29. Shiv Kumar Kishorepuria (HUF)-3,500 30. Sushma Agarwal-1,000		
February 12, 2005	2,00,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Bijay Kumar Kishorepuria-5,000 2. KSL Resources Private Limited-85,000 3. SRM Private Limited-1,10,000	15,10,000	1,51,00,000
November 30, 2005	2,80,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Aparna Patwari-5,000 2. Padma Patwari-22,500 3. Prashant Patwari-28,000 4. Raj Kumar Patwari HUF-26,000 5. Ram Kumar Patwari-6,000 6. Vishal Patwari-17,500 7. S P Sharma HUF-5,000	17,90,000	1,79,00,000

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						8. Satya Prakash Sharma-5,000 9. Triveni Devi-10,000 10. Patson Global Limited-20,000 11. Kaushal Vincom Private Limited-65,000 12. Kamper Finance Private Limited-65,000 13. Ashok Kumar Sinha-5,000		
February 15, 2006*	26,500	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to Contessa Commercial Company Private Limited-26,500	18,16,500	1,81,65,000
March 31, 2007	5,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to Ashok Kumar Sinha-5,000	18,21,500	1,82,15,000
November 15, 2008	2,00,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Anushree Tie-Up Private Limited-37,500 2. MBS Leasing Private Limited-1,00,000 3. Manohar Vanijya Private Limited-62,500	20,21,500	2,02,15,000
February 15, 2009	1,30,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. KSL Resources Private Limited-50,000 2. Contessa Commercial Company Private Limited-80,000	21,51,500	2,15,15,000
March 31, 2009	50,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. KSL Resources Private Limited-15,000 2. Contessa Commercial Company Private Limited-10,000 3. Sriyash Technologies Private Limited-25,000	22,01,500	2,20,15,000
January 04, 2010	2,50,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Shraddha Jyoti Vanijya Private Limited-62,500 2. Glorious Holdings Private Limited-75,000 3. Sadabahr Vanijya Private Limited-1,12,500	24,51,500	2,45,15,000

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
February 08, 2010	5,00,000	10.00	40.00	Further Allotment	Cash	Allotment of Equity Shares to: 1. Improve Financial Consultants Private Limited-62,500 2. Anubhuti Vanijya Private Limited-1,25,000 3. Longview Financial Management Private Limited-62,500 4. Shraddha Jyoti Vanijya Private Limited-1,25,000 5. Sitaram Investment Private Limited-37,500 6. Synox Marketing Private Limited-25,000 7. Grower Distributors Private Limited-62,500	29,51,500	2,95,15,000
December 20, 2011	2,50,000	10.00	50.00	Further Allotment	Cash	Allotment of Equity Shares to BMW Fin-Invest Private Limited-2,50,000	32,01,500	3,20,15,000
March 06, 2013	2,00,000	10.00	50.00	Further Allotment	Cash	Allotment of Equity Shares to Ridhisidhi Fincon Private Limited-2,00,000	34,01,500	3,40,15,000
December 19, 2013	1,16,000	10.00	63.00	Further Allotment	Cash	Allotment of Equity Shares to: Bijay Kumar Kishorepuria-3,200 Nitin Kishorepuria-4,800 Sabita Devi Kishorepuria-93,000 Rachna Kishorepuria-15,000	35,17,500	3,51,75,000
November 04, 2016	70,35,000	10.00	-	Bonus	-	Allotment of Equity Shares to: 1. Ankit Kishorepuria-40,000 2. Anubhav Kishorepuria-20,000 3. Bijay Kumar Kishorepuria-4,60,000 4. B K Kishorepuria HUF-19,000 5. Sabita Devi Kishorepuria-3,89,200 6. Bhagwan Das Sagarmal-76,000 7. Binod Kishorepuria-40,400 8. Santoshi Kishorepuria-40,400 9. Santoshi Kishorepuria-1,90,000 10. Rachna Kishorepuria-1,30,000 11. Raj Kumar Kishorepuria-1,50,000 12. Raj Kumar Kishorepuria-90,000	1,05,52,500	10,55,25,000



Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						13. Pramod Kumar Kishorepuria-1,20,000 14. Nitin Kishorepuria-1,90,000 15. Nupur Kishorepuria-1,26,400 16. Sajjan Kumar Kishorepuria-1,20,000 17. BMW Fin-Invest Private Limited-27,40,000 18. Raj Kumar Kishorepuria HUF-30,000 19. Ridhisidhi Fincon Private Limited-6,15,000 20. Anil Kumar Kishorepuria-80,000 21. Jivan Sagar Promoters Private Limited-2,00,000 22. BFL Private Limited-1,87,400 23. SRM Private Limited-4,84,600 24. Binod Kumar Kishorepuria HUF-30,000 25. Shiv Kumar Kishorepuria HUF-7,000 26. Contessa Commercial Company Private Limited-3,66,000 27. Sriyash Technologies Private Limited-50,000 28. Vikas Kumar Kishorepuria-7,600 29. Praveen Kumar Kishorepuria-36,000		
March 31, 2018	52,76,250	10.00	-	Bonus	-	Allotment of Equity Shares to: 1. Ankit Kishorepuria-30,000 2. Anubhav Kishorepuria-15,000 3. Bijay Kumar Kishorepuria-6,67,500 4. Sabita Devi Kishorepuria-2,91,900 5. Bhagwan Das Sagarmal-57,000 6. Rachna Kishorepuria-97,500 7. Nitin Kishorepuria-3,83,100 8. Nupur Kishorepuria-94,800 9. BMW Fin-Invest Private Limited-20,55,000 10. Raj Kumar Kishorepuria HUF-22,500 11. Ridhisidhi Fincon Private Limited-4,61,250	1,58,28,750	15,82,87,500

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Details of Allottees	Cumulative No. of Shares	Cumulative Paid up Capital
						12. Anil Kumar Kishorepuria-60,000 13. Jivan Sagar Promoters Private Limited-1,50,000 14. BFL Private Limited-1,40,550 15. SRM Private Limited-3,63,450 16. Bijay Kumar Kishorepuria HUF-14,250 17. Contessa Commercial Company Private Limited-2,74,500 18. Sriyash Technologies Private Limited-37,500 19. Vikas Kumar Kishorepuria-32,700 20. Binod Kumar Kishorepuria HUF-22,500 21. Shiv Kumar Kishorepuria HUF-5,250		
March 20, 2024	4,74,86,250	10.00	Nil	Bonus	-	1. Bijay Kumar Kishorepuria-29,74,950 2. Bijay Kumar Kishorepuria (HUF)-1,28,250 3. BMW Fin-Invest Private Limited-1,82,86,950 4. Nitin Kishorepuria-1,31,97,900 5. Nitin Kishorepuria (HUF)-1,97,100 6. Nupur Singhania – 8,53,200 7. Rachna Kishorepuria – 33,48,000 8. Ridhisidhi Fincon Private Limited – 41,51,250 9. Sabita Devi Kishorepuria - 43,48,650	6,33,15,000	63,31,50,000

\*The above allotments and list of allottees has been extracted from minutes' book of the Company, as the RoC forms are not available in the records of the Company.

**Note:**

- As certified by Himanshu S K Gupta & Associates, Practicing Company Secretaries by way of their certificate dated June 27, 2024.
- On August 06 2022 Company has split its Equity Shares from Face Value of ₹10 each to Face Value of ₹1 each.
- On September 30, 2023 Company has consolidated its Equity Shares from Face Value of ₹1 each to Face Value of ₹10 each.

b) History of preference share capital

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

2. **Shares issued for consideration other than cash or by way of Bonus Issue or out of revaluation reserves**

Except as disclosed below, our Company has not issued any specified securities through bonus issue or for consideration other than cash or out of the revaluation reserves since its incorporation as on the date of this Draft Red Herring Prospectus:

Date of allotment	Number of securities allotted	Face value per security (₹)	Nature of Allotment	Nature of Consideration
December 16, 2002	3,70,000	10	Bonus Issue	Other Than Cash
November 04, 2016	70,35,000	10	Bonus Issue	
March 31, 2018	52,76,250	10	Bonus Issue	
March 20, 2024	4,74,86,250	10	Bonus Issue	

*For details of the names of the allottees, see-Notes to Capital Structure-Equity Share capital history of our Company on page 105.*

3. **Issue of Equity Shares under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013**

Our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

4. **Equity Shares issued pursuant to Employee Stock Option Scheme**

As on the date of this Draft Red Herring Prospectus, there is no scheme of Employee Stock Option Scheme subsisting in the Company and therefore no Equity Shares issued pursuant to Employee Stock Option Scheme.

5. **Issue of Equity Shares which may be at a price lower than Issue price in the last one (1) year**

Except as disclosed in “Capital Structure – Share capital history of our Company” on page 105 our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during the last one year from the date of this Draft Red Herring Prospectus.

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## 6. Shareholding Pattern of our Company:

The table below presents the current shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category Code	Category of shareholder	No. Of shareholders	No. of fully paid up equity shares held of face value of ₹10 each	No. of Partly paid up equity shares of face value of ₹10 each held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								As a % of (A+B+C2)	Equity Shares of face value of ₹10 each^	Other Class	Total			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
I	II	III	IV	V	VI	VII= IV+ V+V I	VIII	IX				X	XI= VII+ X	XII		XIII		XIV
(A)	Promoter and Promoter Group	9	6,33,15,000	-	-	6,33,15,000	100%	6,33,15,000	-	6,33,15,000	100%	-	-	-	-	-	-	6,33,15,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>9</b>	<b>6,33,15,000</b>	<b>-</b>	<b>-</b>	<b>6,33,15,000</b>	<b>100%</b>	<b>6,33,15,000</b>	<b>-</b>	<b>6,33,15,000</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,33,15,000</b>

\*As on date of this Draft Red Herring Prospectus, one (1) Equity Share of face value of ₹10 each holds one (1) vote.

^We have only one class of Equity Share of face value of ₹10 each.

7. **Details of equity shareholding of major shareholders of our Company**

- a. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹10 each	% of the Pre-Issue Equity Share Capital
1)	BMW Fin - Invest Private Limited	2,43,82,600	38.51%
2)	Nitin Kishorepuria	1,75,97,200	27.79%
3)	Sabita Devi Kishorepuria	57,98,200	9.16%
4)	Ridhisidhi Fincon Private Limited	55,35,000	8.74%
5)	Rachna Kishorepuria	44,64,000	7.05%
6)	Bijay Kumar Kishorepuria	39,66,600	6.26%
7)	Nupur Singhania	11,37,600	1.80%
<b>Total</b>		<b>62,881,200</b>	<b>99.31%</b>

- b. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹10 each	% of the Pre-Issue Equity Share Capital
1)	BMW Fin - Invest Private Limited	2,43,82,600	38.51%
2)	Nitin Kishorepuria	1,75,97,200	27.79%
3)	Sabita Devi Kishorepuria	57,98,200	9.16%
4)	Ridhisidhi Fincon Private Limited	55,35,000	8.74%
5)	Rachna Kishorepuria	44,64,000	7.05%
6)	Bijay Kumar Kishorepuria	39,66,600	6.26%
7)	Nupur Singhania	11,37,600	1.80%
<b>Total</b>		<b>62,881,200</b>	<b>99.31%</b>

- c. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹10 each	% Equity Share Capital
1)	BMW Fin - Invest Private Limited	2,43,82,600	38.51%
2)	Bijay Kumar Kishorepuria	39,66,600	6.26%
3)	Sabita Devi Kishorepuria	57,98,200	9.16%
4)	Nitin Kishorepuria	1,75,97,200	27.79%
5)	Ridhisidhi Fincon Private Limited	55,35,000	8.74%
6)	Rachna Kishorepuria	44,64,000	7.05%
7)	Nupur Singhania	11,37,600	1.80%
<b>Total</b>		<b>6,28,81,200</b>	<b>99.31%</b>

*Based on Share Holding Pattern as on March 31, 2024*

- d. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares held of face value of ₹1 each	% Equity Share Capital
1)	BMW Fin - Invest Private Limited	61,61,3500	38.93%
2)	Bijay Kumar Kishorepuria	2,99,16,500	18.90%
3)	Sabita Devi Kishorepuria	2,24,95,500	14.21%
4)	Nitin Kishorepuria	1,59,93,000	10.10%
5)	Ridhisidhi Fincon Private Limited	1,38,37,500	8.74%
6)	Rachna Kishorepuria	1,11,60,000	7.05%
7)	Nupur Singhania	28,44,000	1.80%
<b>Total</b>		<b>15,78,60,000</b>	<b>99.73%</b>

Based on Share Holding Pattern as on March 31, 2023

8. Our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of 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 otherwise. However, if business needs of our Company so require, our Company may alter the capital structure by way of split/ consolidation of the denomination of the Equity Shares/ issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.

**9. History of build-up of Promoters' shareholding and Lock-in of Promoters' shareholding (including Promoters' contribution):**

- a) History of build-up of Promoters' shareholdings.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 6,17,43,600 Equity Shares Face Value of ₹10 each which constitutes 97.52% of the pre-Issue issued, subscribed and paid-up Equity Share Capital of our Company. Further, none of the Equity Shares held by our Promoters are pledged.

**1. Bijay Kumar Kishorepuria**

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acquisition Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
October 07 1994 (On Incorporation)	100	10	10	Cash	Further Allotment <sup>(1)</sup>	Negligible	Negligible
March 31, 1995	10,000	10	10	Cash	Further Allotment <sup>(2)</sup>	0.02%	0.01%
August 12, 1995	25,500	10	10	Cash	Further Allotment <sup>(3)</sup>	0.04%	0.03%
January 31, 1996	10,000	10	10	Cash	Further Allotment <sup>(4)</sup>	0.02%	0.01%
December 16, 2002	45,600	10	Nil	N.A.	Bonus <sup>(5)</sup>	0.07%	0.05%
March 27, 2003	(50,000)	10	10	Cash	Transfer <sup>(6)</sup>	-0.08%	-0.06%
March 27, 2003	50,000	10	10	Cash	Further Allotment <sup>(7)</sup>	0.08%	0.06%
February 12, 2005	5,000	10	40	Cash	Further Allotment <sup>(8)</sup>	0.01%	0.01%
March 20, 2006	22,500	10	10	Cash	Transfer <sup>(9)</sup>	0.04%	0.03%
October 30, 2006	2,500	10	10	Cash	Transfer <sup>(10)</sup>	Negligible	Negligible
June 12, 2007	38,750	10	10	Cash	Transfer <sup>(11)</sup>	0.06%	0.04%
June 12, 2007	(10,000)	10	10	Cash	Transfer <sup>(12)</sup>	-0.02%	-0.01%
September 30, 2009	43,100	10	10	Cash	Transfer <sup>(13)</sup>	0.07%	0.05%
September 30, 2010	1,000	10	10	Cash	Transfer <sup>(14)</sup>	Negligible	Negligible

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acquis ition Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital
December 17, 2013	8,750	10	63	Cash	Transfer <sup>(15)</sup>	0.01%	0.01%
December 17, 2013	(1,000)	10	10	Cash	Transfer <sup>(16)</sup>	Negligible	Negligible
December 19, 2013	3,200	10	63	Cash	Further Allotment <sup>(17)</sup>	0.01%	0.00%
March 31, 2016	5,000	10	10	Cash	Transfer <sup>(18)</sup>	0.01%	0.01%
September 10, 2016	20,000	10	Nil	Cash	Transfer <sup>(19)</sup>	0.03%	0.02%
November 04, 2016	4,60,000	10	Nil	N.A.	Bonus Issue <sup>(20)</sup>	0.73%	0.53%
March 17, 2018	6,45,000	10	Nil	N.A.	Transfer <sup>(21)</sup>	1.02%	0.74%
March 31, 2018	6,67,500	10	Nil	N.A.	Bonus Issue <sup>(22)</sup>	1.05%	0.77%
November 19, 2019	67,500	10	Nil	N.A.	Transfer <sup>(23)</sup>	0.11%	0.08%
April 01, 2022	4,96,350	10	Nil	N.A.	Transfer <sup>(24)</sup>	0.78%	0.57%
April 01, 2022	4,25,300	10	61	Cash	Transfer <sup>(25)</sup>	0.67%	0.49%
<b>Total Pre-Split Shares</b>	<b>29,91,650</b>	<b>10</b>	<b>Nil</b>	<b>N.A.</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>On August 06 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of ₹1 each</b>							
<b>Total Post-Split Shares</b>	<b>2,99,16,500</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>On September 30 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of ₹10 each</b>							
<b>Total No. of shares post consolidation</b>	<b>29,91,650</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
February 12, 2024	(2,00,000)	10	N.A.	N.A.	Transfer <sup>(26)</sup>	-0.32%	-2.31%
March 20, 2024	29,74,950	10	N.A.	N.A.	Bonus Issue <sup>(27)</sup>	4.70%	3.43%
<b>Total</b>	<b>39,66,600</b>	<b>10</b>				<b>6.27%</b>	<b>4.57%</b>

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

## Notes:

(1)	Initial Subscribers to Memorandum of Association
(2)	Further Allotment
(3)	Further Allotment
(4)	Further Allotment
(5)	Bonus Issue in the Ratio of 1:1
(6)	Transfer to Santosh Devi Kishorepuria
(7)	Further Allotment
(8)	Further Allotment
(9)	Transfer from Raj Kumar Patwari-HUF
(10)	Transfer from Rajkumar Patwari and sons - HUF
(11)	Transfer 6,500 share from Prashant Patwari, 2500 from Prashant Patwari 1000 shares from Raj Kumar Patwari HUF, 17,500 from Rajkumar Patwari and Sons HUF, 6250 from Kaushal Fincom Private Limited and 5,000 from Vishal Patwari
(12)	Transfer to Ashish Dokania
(13)	Transfer of 1,500 shares from Ansarul Haque, 10,000 shares from Ashish Kumar Sinha, 1,000 shares from Arvind Khetan, 4,000 shares from B.K. Khetan, 1,000 shares from B.K. Pareek, 200 shares from Balkrishna Khetan, 1,500 shares from Baleshwar Singh, 1,000 shares from Bhagwan Mishra, 1,500 shares from Binay Kumar Bose, 200 shares from Chandra Bhushan Kumar, 1,000 shares from Deepak Agarwal, 200 shares from Dinesh Dhanuka, 1,500 shares from Ganesh Prasad Singh, 1,000 shares from Govind Kumar Lal, 1,000 shares from Mriduchandra Choudhary, 1,000 shares from om Prakash Sharma, 2000 shares from B K Khetan, 1,000 shares from P. K. Sinha, 2,000 shares from R A Pathak, 1,500 shares from Ramesh Chandra Mishra, 6,500 shares from R N Sharma, 1,000 shares from B K Pandey, 500 shares from Vijay Kumar Pandey, 1,000 shares from Binod Kumar Kishorepuria
(14)	Transfer from Rathindra Nath Choudhary
(15)	Transfer from BMW Fin Invest Private Limited
(16)	Transfer to Binod Kumar Kishorepuria
(17)	Further Allotment



(18)	Transfer from Sunil Kumar Kishorepuria
(19)	Transfer from Jivni Devi Kishorepuria
(20)	Bonus Issue in the Ratio of 1:2
(21)	Transfer of 3,60,000 shares from Rajkumar Kishorepuria and 2,85,000 from Santoshi Devi Kishorepuria via gift
(22)	Bonus Issue in the Ratio of 2:1
(23)	Transfer from Binod Kumar Kishorepuria – HUF via gift
(24)	Transfer from 1,80,000 Equity Shares from Anil Kumar Kishorepuria, 90,000 Equity Shares from Ankit Kishorepuria, 45,000 Equity Shares from Anubhav Kishorepuria, 67,500 Equity Shares from Raj Kumar Kishorepuria HUF, 15,750 Equity Shares from Shiv Kumar Kishorepuria HUF, 98,100 Equity Shares from Vikas Kumar Kishorepuria via gift
(25)	Transfer of 4,21,650 Equity shares from BFL Private Limited, 3650 Equity shares from BMW Fin Invest Private Limited,
(26)	Transfer of 2,00,000 Equity Shares to Nitin Kishorepuria
(27)	Bonus Issue in the Ratio of 1:3

## 2. Sabita Devi Kishorepuria

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acquisition Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
October 07, 1994 (On Incorporation)	100	10	10	Cash	Further Allotment <sup>(1)</sup>	Negligible	Negligible
August 12, 1995	13,800	10	10	Cash	Further Allotment <sup>(2)</sup>	0.02%	0.02%
January 31, 1996	10,000	10	10	Cash	Further Allotment <sup>(3)</sup>	0.02%	0.01%
December 16, 2002	23,900	10	Nil	N.A.	Bonus Issue <sup>(4)</sup>	0.04%	0.03%
March 27, 2003	10,000	10	10	Cash	Further Allotment <sup>(5)</sup>	0.02%	0.01%
December 17, 2013	4,200	10	10	Cash	Transfer <sup>(6)</sup>	0.01%	0.00%
December 19, 2013	93,000	10	63	Cash	Further Allotment <sup>(7)</sup>	0.15%	0.11%
March 31, 2016	29,600	10	10	Cash	Transfer <sup>(8)</sup>	0.05%	0.03%
September 10, 2016	10,000	10	Nil	N.A.	Transfer <sup>(9)</sup>	0.02%	0.01%
November 04, 2016	3,89,200	10	Nil	N.A.	Bonus Issue <sup>(10)</sup>	0.61%	0.45%
March 31, 2018	2,91,900	10	Nil	N.A.	Bonus Issue <sup>(11)</sup>	0.46%	0.34%
April 01, 2022	13,73,850	10	61	Cash	Transfer <sup>(12)</sup>	2.17%	1.58%
<b>Total Pre-Split Shares</b>	<b>22,49,550</b>	-	-	-	-	-	-
<b>On August 06, 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of ₹1 each</b>							
<b>Total Post-Split Shares</b>	2,24,95,500	-	-	-	-	-	-
<b>On September 30, 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of ₹10 each</b>							
<b>Total No. of shares post consolidation</b>	22,49,550	10	-	-	-	-	-
<b>February 12, 2024</b>	(8,00,000)	10	Nil	N.A.	Transfer <sup>(13)</sup>	-1.26%	-0.92%
<b>March 20, 2024</b>	43,48,650	10	Nil	N.A.	Bonus Issue <sup>(14)</sup>	6.87%	5.01%
<b>Total</b>	<b>57,98,200</b>					<b>9.16%</b>	<b>6.69%</b>

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

**Notes:**

(1)	Further Allotment
(2)	Further Allotment
(3)	Further Allotment
(4)	Bonus Issue in the ratio of 1:1
(5)	Further Allotment
(6)	Transfer from Krishna Kumar Khetan
(7)	Further Allotment
(8)	Transfer from Sunil Kumar Kishorepuria
(9)	Transfer from Ashish Dokania
(10)	Bonus Issue in the Ratio of 1:2
(11)	Bonus Issue in the Ratio of 2:1
(12)	Transfer of 1,71,000 Equity Shares from Bhagwandas Sagarmal, 1,12,500 Equity Shares from Sriyansh Infrastructure LLP, 10,90,350 Equity Shares from SRM Private Limited
(13)	Transfer to Nitin Kishorepuria
(14)	Bonus Issue in the Ratio of 1:3

**3. Nitin Kishorepuria**

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acquisi tion Sale Price per Share (₹)**	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital
August 12, 1995	10,500	10	10	Cash	Further Allotment <sup>(1)</sup>	0.02%	0.01%
January 31, 1996	10,000	10	10	Cash	Further Allotment <sup>(2)</sup>	0.02%	0.01%
December 16, 2002	20,500	10	Nil	N.A.	Bonus Issue <sup>(3)</sup>	0.03%	0.02%
March 27, 2003	12,200	10	10	Cash	Further Allotment <sup>(4)</sup>	0.02%	0.01%
September 30, 2009	35,000	10	10	Cash	Transfer <sup>(5)</sup>	0.06%	0.04%
September 30, 2010	2,000	10	10	Cash	Transfer <sup>(6)</sup>	Negligible	Negligible
December 19, 2013	4,800	10	63	Cash	Further Allotment <sup>(7)</sup>	0.01%	0.01%
November 04, 2016	1,90,000	10	Nil	N.A.	Bonus Issue <sup>(8)</sup>	0.30%	0.22%
March 17, 2018	4,81,200	10	Nil	N.A.	Transfer <sup>(9)</sup>	0.76%	0.55%
March 31, 2018	3,83,100	10	Nil	N.A.	Bonus Issue <sup>(10)</sup>	0.61%	0.44%
April 01, 2022	4,50,000	10	61	Cash	Transfer <sup>(11)</sup>	0.71%	0.52%
<b>Total Pre-Split Shares</b>	15,99,300	10	-	-	-	-	-
<i>On August 06, 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of Rs.1 each</i>							
<b>Total Post-Split Shares</b>	1,59,93,000						
<i>On September 30, 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of Rs.10 each</i>							
<b>Total No. of shares post consolidation</b>	15,99,300	10	-	-	-	-	-
<b>February 12, 2024</b>	28,00,000	10	Nil	N.A.	Transfer <sup>(12)</sup>	4.42%	3.23%
March 20, 2024	1,31,97,900	10	Nil	N.A.	Bonus Issue <sup>(13)</sup>	20.84%	15.22%
<b>Total</b>	<b>1,75,97,200</b>					<b>27.79%</b>	<b>20.29%</b>

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

**Notes:**

(1)	Further Allotment
(2)	Further Allotment
(3)	Bonus Issue in the ratio of 1:1
(4)	Further Allotment
(5)	Transfer of 2,000 Equity Shares from Rajeev Kumar Kalyani, 1,500 Equity Shares from Rajesh Kumar Sinha, 5,000 Equity shares from Ram Shankar Sharma, 1000 Equity shares from S K Sinha, 5,000 Equity Shares from S P Sharma HUF, 5000 Equity Shares from Satya Prakash Sharma, 1,500 Equity Shares from Sunil Kumar Mishra, 1000 Equity Shares from Sushma Agarwal, 10,000 Equity shares from Surnalirpy Chaudhary, 1,500 Equity shares from Subatra Roy Chaudhary, 1,500 from Yugal Kumar Mishra
(6)	Transfer from Yugal Kumar Mishra
(7)	Further Allotment
(8)	Bonus Issue in the Ratio of 1:2
(9)	Transfer of 60,600 Equity Shares from Santoshi Kishorepuria, 1,80,000 Equity Shares from Pramod Kumar Kishorepuria, 1,80,000 Equity shares from Sajjan Kumar Kishorepuria and 60,600 Equity Shares from Binod Kumar Kishorepuria
(10)	Bonus Issue in the Ratio of 2:1
(11)	Transfer from Jiwan Sagar Promoter Private Limited
(12)	Transfer from 2000000 Equity shares from Bijay Kumar Kishorepuria and 800000 Equity shares from Sabita Devi Kishorepuria
(13)	Bonus Issue in the Ratio of 1:3

**4. Rachna Kishorepuria**

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acqui- sition/ Sale Price per Share (₹)**	Nature of Considerati- on (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital
March 27, 2003	50,000	10	10	Cash	Further Allotment <sup>(1)</sup>	0.08%	0.06%
December 19, 2013	15,000	10	63	Cash	Further Allotment <sup>(2)</sup>	0.02%	0.02%
November 04, 2016	1,30,000	10	Nil	N.A.	Bonus Issue <sup>(3)</sup>	0.21%	0.15%
March 31, 2018	97,500	10	Nil	N.A.	Bonus Issue <sup>(4)</sup>	0.15%	0.11%
April 01, 2022	8,23,500	10	61	Cash	Transfer <sup>(5)</sup>	1.30%	0.95%
<b>Total Pre-Split Shares</b>	11,16,000						
<b><i>On August 06, 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of ₹1 each</i></b>							
<b>Total Post-Split Shares</b>	1,11,60,000						
<b><i>On September 30, 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of ₹10 each</i></b>							
<b>Total No. of shares post consolidation</b>	11,16,000	10	-	-	-	-	-
March 20, 2024	33,48,000	10	Nil	N.A.	Bonus Issue <sup>(6)</sup>	5.29%	3.86%
<b>Total</b>	<b>44,64,000</b>					<b>7.05%</b>	<b>5.15%</b>

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

**Notes:**

1)	Further Allotment
2)	Further Allotment
3)	Bonus Issue in the Ratio of 1:2
4)	Bonus Issue in the Ratio of 2:1
5)	Transfer from Contessa Commercial Company Private Limited
6)	Bonus Issue in the Ratio of 1:3

## 5. BMW Fin-Invest Private Limited

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acqu isition/ Sale Price per Share (₹)**	Nature of Considerati on (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital	
May 31, 2010	11,28,750	10	10	Cash	Transfer <sup>(1)</sup>	1.78%	1.30%	
December 20, 2011	2,50,000	10	50	Cash	Further Allotment <sup>(2)</sup>	0.39%	0.29%	
December 17, 2013	(8,750)	10	63	Cash	Transfer <sup>(3)</sup>	-0.01%	-0.01%	
November 04, 2016	27,40,000	10	Nil	N.A.	Bonus Issue <sup>(4)</sup>	4.33%	3.16%	
March 31, 2018	20,55,000	10	Nil	N.A.	Bonus Issue <sup>(5)</sup>	3.25%	2.37%	
April 01, 2022	(3,650)	10	61	Cash	Transfer <sup>(6)</sup>	-0.01%	Negligible	
Total Pre-Split Shares	61,61,350							
On August 06, 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of Rs.1 each								
Total Post-Split Shares	6,16,13,500							
On September 30, 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of Rs.10 each								
Total No. of shares post consolidation	61,61,350							
February 22, 2024	(6,570)	10	99	Cash	Transfer <sup>(7)</sup>	-0.01%	-0.01%	
February 29, 2024	(59,130)	10	99	Cash	Transfer <sup>(8)</sup>	-0.09%	-0.07%	
March 20, 2024	1,82,86,950	10	Nil	N.A.	Bonus Issue <sup>(9)</sup>	28.88%	21.09%	
Total	2,43,82,600						38.51%	28.12%

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

### Notes:

1)	Transfer to Bijay Kumar Kishorepuria
2)	Further Allotment
3)	Transfer to Bijay Kumar Kishorepuria
4)	Bonus Issue in the Ratio of 1:2
5)	Bonus Issue in the Ratio of 2:1
6)	Transfer to Nitin Kishorepuria HUF
7)	Transfer to Nitin Kishorepuria HUF
8)	Transfer to Nitin Kishorepuria HUF
9)	Bonus Issue in the Ratio of 1:3

## 6. Ridhisidhi Fincon Private Limited

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acqu isition/ Sale Price per Share (₹)**	Nature of Considerati on (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital
March 06, 2013	2,00,000	10	50	Cash	Further Allotment <sup>(1)</sup>	0.32%	0.23%
December 03, 2013	1,07,500	10	10	Cash	Transfer <sup>(2)</sup>	0.17%	0.12%
November 04, 2016	6,15,000	10	Nil	N.A.	Bonus Issue <sup>(3)</sup>	0.97%	0.71%
March 31, 2018	4,61,250	10	Nil	N.A.	Bonus Issue <sup>(4)</sup>	0.73%	0.53%

Date of Allotment/ Transfer/ when made fully paid up*	Number of Equity Shares of face value of ₹10 each	Face Value per Share (₹)	Issue/Acqui- sition/ Sale Price per Share (₹)**	Nature of Considerati- on (Cash/ Other than Cash)	Nature of Transaction	% of pre- Issue equity share capital	% of post- Issue equity share capital	
Total Pre-Split Shares	13,83,750							
On August 06, 2022 Company has split its shares from Face Value of Rs.10 each to Face Value of ₹1 each								
Total Post-Split Shares	1,38,37,500							
On September 30, 2023 Company has consolidate its shares from Face Value of Rs.1 each to Face Value of ₹10 each								
Total No. of shares Post consolidation	13,83,750							
March 20, 2024	41,51,250	10	Nil	N.A.	Bonus Issue <sup>(5)</sup>	6.56%	4.79%	
Total	55,35,000						8.74%	6.38%

\* All the Equity Shares of face value of ₹10 each held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares.

\*\* Cost of acquisition excludes Stamp Duty

#### Notes:

1)	Further Allotment
2)	Transfer from KSL Resources Private Limited
3)	Bonus Issue in the Ratio of 1:2
4)	Bonus Issue in the Ratio of 2:1
5)	Bonus Issue in the Ratio of 1:3

b) All Equity Shares of face value of ₹10 each held by our Promoters and Promoter Group in the Company are in dematerialized form as on the date of this Draft Red Herring Prospectus.

#### c) Details of Lock-in:

##### *Promoter's Contribution locked-in for Eighteen Months:*

Pursuant to Regulation 14 and 16 of the SEBI ICDR Regulations, an aggregate of at least 20% of the Post-Issue Equity Share Capital of our Company held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked-in for a period of 18 (Eighteen) Months from the date of Allotment. The Promoters' shareholding in excess of 20% of the post-Issue Equity Share capital shall be locked in for a period of 6 (six) months from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before listing of the Equity Shares.

All Equity Shares of face value of ₹10 each held by our Promoters are eligible for Promoter's Contribution, pursuant to Regulation 15 of the SEBI ICDR Regulations.

Our Promoters will provide consent to the inclusion of such number of the Equity Shares held by them, in aggregate, as may constitute 20% of the post-Issue equity share capital of our Company as Promoter's Contribution and has agreed not to sell, charge or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution, for a period of 18 (Eighteen) months from the date of allotment in the Issue.

The below Equity Shares proposed to form part of Promoter's Contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Red Herring Prospectus with the Stock Exchanges 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.

Accordingly, Equity Shares aggregating to 20% of the post- Issue capital of our Company, held by our Promoters shall be locked-in for a period of 18 (Eighteen) months from the date of Allotment in the Issue as follows:

Date on which the Equity Shares were Allotted/ made fully paid up/ Acquired*	No. of Equity Shares of face value of ₹10 each Locked in**	Face Value Per Share (₹)	Issue/ Acquisition Price Per Share (₹)	Nature of transaction	% of post- Issue share capital**	Period of Lock in	Date up to which the Equity Shares are subject to lock in**
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Note: To be updated at the Prospectus stage.

\*All the Equity Shares of face value of ₹10 each were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

\*\* Subject to finalization of Basis of Allotment

The Promoter's Contribution has been brought into the extent of not less than the specified minimum lot and from the person defined as 'promoter' under the SEBI ICDR Regulations.

The Equity Shares of face value of ₹10 each that are being locked are eligible for computation of Promoter's Contribution under Regulation 15 of the SEBI ICDR Regulations. In this respect, we confirm the following:

- That the minimum Promoter's Contribution does not consist of Equity Shares acquired during the preceding three years, which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
- That the minimum Promoter's Contribution does not consist of Equity Shares acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution;
- That the minimum Promoter's Contribution does not consist of Equity Shares acquired during the one (1) year immediately preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the price at which the Equity Shares are being Offered to the public in the Issue;
- That the Equity Shares held by our Promoters which are offered for minimum Promoter's Contribution are not subject to any pledge or any other form of encumbrance whatsoever; and all the Equity Shares of our Company held by the Promoters are dematerialized;
- Our Company has been formed by conversion of a partnership firm into a company, however no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm.
- The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

#### ***Details of Equity Shares Locked-in***

In terms of Regulation 16(1)(b) and 17 of the SEBI ICDR Regulations, the Promoters' holding in excess of minimum Promoters' contribution will be locked in for 6 (six) months and the entire pre-Issue equity share capital of our Company held by persons other than the Promoters will be locked-in for a period of six months from the date of Allotment in the Issue, except the promoter's contribution which shall be locked in as above.

In terms of Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository. Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

The shares which are in dematerialized form shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### ***Lock-in of Equity Shares Allotted to Anchor Investors***

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

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

In terms of Regulation 21 of the SEBI ICDR Regulations, locked-in Equity Shares for one (1) year held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a systematically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Promoter's Contribution for three (3) years under Regulation 16(a) of the SEBI ICDR Regulations may be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted to the Issuer Company or its subsidiary(ies) by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by Promoters and locked-in as per Regulation 16 may be transferred to another Promoters or any person of the Promoter Group or a new Promoters and the Equity Shares held by persons other than the Promoters and locked in in terms of Regulation 17, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI ICDR Regulations has expired.

*We further confirm that our Promoter's Contribution of 20% of the post- Issue Equity Share capital does not include any contribution from Alternative Investment Fund, Foreign Venture Capital Investors, Scheduled Commercial Banks, Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.*

#### **10. Details of the shareholding of our Promoters and members of the Promoter Group is as below:**

Our Promoters and Promoter Group holds 100% of the pre-Issue Equity Share capital of our Company. Except as stated below, our Promoters and the members of our Promoter Group do not hold any Equity Shares in our Company as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share of capital	No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share capital
A. Promoters:					
1.	Nitin Kishorepuria	1,75,97,200	27.79%	1,75,97,200	20.29%
2.	Sabita Devi Kishorepuria	57,98,200	9.16%	57,98,200	6.69%
3.	Rachna Kishorepuria	44,64,000	7.05%	44,64,000	5.15%
4.	Bijay Kumar Kishorepuria	39,66,600	6.26%	39,66,600	4.57%
5.	BMW Fin-Invest Private Limited	2,43,82,600	38.51%	2,43,82,600	28.12%
6.	Ridhisidhi Fincon Private Limited	55,35,000	8.74%	55,35,000	6.38%



Sr. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share of capital	No. of Equity Shares of face value of ₹10 each held	% of paid-up Equity Share capital
Total (A)		6,17,43,600	97.52%	6,17,43,600	71.20%
B. Promoters Group:					
1.	Nupur Singhania	11,37,600	1.80%	11,37,600	1.31%
2.	Nitin Kishorepuria HUF	2,62,800	0.42%	2,62,800	0.30%
3.	Bijay Kumar Kishorepuria (HUF)	1,71,000	0.27%	1,71,000	0.20%
Total (B)		15,71,400	2.48%	15,71,400	1.81%
Total (A+B)		6,33,15,000	100.00%	6,33,15,000	73.02%

11. None of the Equity Shares held by our Promoters and the members of our Promoter Group are pledged or otherwise encumbered.
12. As on the date of filing of this Draft Red Herring Prospectus, our Company has 9 (Nine) Shareholders.
13. None of the members of our Promoter Group, the Promoter or our Directors or their relatives have sold or purchased Equity Shares of our Company during the six (6) months immediately preceding the date of this Draft Red Herring Prospectus.
14. Except as disclosed in “Our Management - Shareholding of the Directors” on page 241, none of the Directors, Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
15. There are no financing arrangements whereby the members of our Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the Issuer during the period of 6 (six) months immediately preceding the date of filing this Draft Red Herring Prospectus.
16. Our Company, our Directors and the BRLM have not entered into any buy-back and/ or similar arrangements for the purchase of Equity Shares of our Company, offered through this Draft Red Herring Prospectus from any person.
17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Issue shall be fully paid-up at the time of Allotment.
18. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.
19. The BRLM and their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and their respective affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may, in the future, engage in investment banking transactions with our Company, for which they may receive customary compensation.
20. 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 of our Company, as on the date of this Draft Red Herring Prospectus.
21. Except as disclosed below, there have been no acquisition of equity shares in the immediately preceding three years (including the immediately preceding one year) by our Promoters:

Particulars	Date of acquisition	Number of Equity Shares	Nature of Acquisition	Acquisition price per Equity Share (in ₹)
Bijay Kumar Kishorepuria	March 20, 2024	29,74,950	Bonus <sup>(1)</sup>	Nil
Sabita Devi Kishorepuria	March 20, 2024	43,48,650	Bonus <sup>(2)</sup>	Nil
Nitin Kishorepuria	February 12, 2024	28,00,000	Gift <sup>(3)</sup>	Nil
	March 20, 2024	1,31,97,900	Bonus <sup>(4)</sup>	Nil
Rachna Kishorepuria	March 20, 2024	33,48,000	Bonus <sup>(5)</sup>	Nil
BMW Fin-Invest Private Limited	March 20, 2024	1,82,86,950	Bonus <sup>(6)</sup>	Nil
Ridhisidhi Fincon Private Limited	March 20, 2024	41,51,250	Bonus <sup>(7)</sup>	Nil

<sup>(1)</sup> Bonus Issue in the Ratio of 1:3

<sup>(2)</sup> Bonus Issue in the Ratio of 1:3

<sup>(3)</sup> Transfer of 20,00,000 Equity shares from Bijay Kumar Kishorepuria and 8,00,000 Equity shares from Sabita Devi Kishorepuria

<sup>(4)</sup> Bonus Issue in the Ratio of 1:3

<sup>(5)</sup> Bonus Issue in the Ratio of 1:3

<sup>(6)</sup> Bonus Issue in the Ratio of 1:3

<sup>(7)</sup> Bonus Issue in the Ratio of 1:3

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition* (₹ per share)
1)	Nitin Kishorepuria	1,75,97,200	1.62
2)	Sabita Devi Kishorepuria	57,98,200	15.58
3)	Rachna Kishorepuria	44,64,000	11.58
4)	Bijay Kumar Kishorepuria	39,66,600	7.15
5)	BMW Fin-Invest Private Limited	2,43,82,600	0.68
6)	Ridhisidhi Fincon Private Limited	55,35,000	2.00

\*As certified by A D V & Associates, by way of their certificate dated March 28, 2025.

23. An applicant cannot make an application more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
24. The BRLM, our Company, members of the Syndicate, our Directors, our Promoters, our Promoter Group and/ or any person connected with the Issue shall not offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant, for making an Application.
25. Except as disclosed in “Capital Structure-Notes on the Capital Structure” on page 105, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
26. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed or all application monies have been refunded, as the case may be.
27. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 49 of SEBI ICDR Regulations.
28. An over-subscription to the extent of 1% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post- Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to 18 months’ lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM

and the Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

30. The unsubscribed portion in any reserved category, if any, may be added to any other reserved category.
31. There are no Equity Shares against which depositories receipts have been issued.
32. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
33. As per RBI regulations, OCBs are not allowed to participate in this Issue.
34. Our Company has not raised any bridge loans against the proceeds of the Issue.
35. Our Company shall comply with such disclosure and accounting norms as may be specified by stock exchange, SEBI and other regulatory authorities from time to time.
36. Our Promoters and Promoter Group will not participate in this Issue.
37. This Issue is being made through Book Building method.
38. There are no safety net arrangements for this Issue.
39. All transactions in Equity Shares by our Promoters and members of the Promoter Group, if any, between the date of filing of the Red Herring Prospectus and the Issue Closing Date will be reported to the Stock Exchanges within 24 hours of such transactions being completed.

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## OBJECTS OF THE ISSUE

The Issue comprises of 2,34,00,000 Equity Shares\* of face value of ₹10 each, aggregating to ₹[●] by our Company. For details, see “Summary of the Issue Document” and “The Issue” on pages 23 and 91 respectively.

\*Subject to finalization of Basis of Allotment.

### Objects of the Issue

Our Company intends to utilise the Net Proceeds from the Issue towards funding the following objects (the “Objects”):

1. Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by our Company; and
2. General Corporate Purposes

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers and provide a market for our Equity Shares to the existing public shareholders of our Company.

The main objects and matters in furtherance of the main objects set out in the Memorandum of Association enable us to undertake (i) our existing business activities; and (ii) the activities towards which the borrowings proposed to be repaid/prepaid from the Net Proceeds.

### Appraising Entity

None of the Objects of the issue for which the Net Proceeds will be utilised, require appraisal from, or have been appraised by, any bank/ financial institution.

### Net Proceeds

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

(₹ in Lakhs)	
Particulars	Amount
Gross proceeds of the Issue <sup>#</sup>	[●]
(Less) Expenses in relation to the Issue <sup>#</sup>	[●]
Net Proceeds of the Issue	[●]

<sup>#</sup>To be finalized upon determination of the offer price and will be updated in the prospectus at the time of filing with the ROC.

### Utilisation of Net Proceeds

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

(₹ in Lakhs)	
Particulars	Estimated Amount
Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by our Company	17,375.00
General Corporate Purposes*	[●]
<b>Total</b>	<b>[●]</b>

\*To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

### 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	Amount to be funded from Net Proceeds	Estimated deployment of the Net Proceeds*
		Fiscal 2026
Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by our Company	17,375.00	17,375.00
General corporate purposes*	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>

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

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in the Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. 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, access to capital, competition and interest rates and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the schedule of the planned repayment / prepayment of loans at the discretion of our management, subject to compliance with applicable laws. For further details, see “Risk Factors- Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 72.

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, such funds shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable law. In case the estimated utilisation of the Net Proceeds in a scheduled fiscal year is higher than estimated due to the reasons stated above, the utilization in subsequent year will be reduced, as may be determined by our Company, in accordance with applicable law. In case the actual utilization towards full or partial repayment or prepayment of certain borrowings availed by our Company is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from Issue, subject to compliance with applicable law.

### Means of Finance

As the entire requirement of funds for the Objects of the Issue are proposed to be met from the Net Proceeds, we confirm that there is no requirement to make firm arrangements of finance towards at least 75% of the stated means of finance through verifiable means, excluding the amount to be raised through the Issue. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 7(1)(e) of the SEBI ICDR Regulations.

### Details of the Objects

#### 1. Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by our Company:

Our Company has entered into various borrowing arrangements from time to time with banks, financial institutions and other entities, in the form of inter alia term loans and fund based and non-fund based working capital. As on December 31, 2024, we had total borrowings of ₹44,072.00 Lakhs on a consolidated basis and accrued interest on borrowings. For further information on the financial indebtedness of our Company, see “Financial Indebtedness” on page 355.

We propose to utilise a portion of the Net Proceeds aggregating to ₹17,375.00 Lakhs for full or partial repayment or prepayment of certain borrowings availed by our Company, comprising 39.42% of our total borrowings as of December 31, 2024. Such repayment/prepayment will help us reduce a portion of our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt-to-equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed is at the discretion of the Board and has been based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds.

The details of the outstanding loans proposed to be repaid or prepaid, in full or in part from the Net Proceeds for an aggregate amount of ₹17,375.00 Lakhs (pursuant to the criteria set out above) are set forth below:

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Sr. No.	Name of the lender	Nature of the borrowing	Date of sanction	Sanctioned Amount as per Date of Sanctioned Letter (Rs in Lakhs)	Purpose of borrowing	Amount outstanding as at March 18, 2025	Interest rate as at March 18, 2025 (% per annum)	Schedule of repayment/term	Prepayment penalty	Purpose of utilisation of borrowing	Whether utilised for capital expenditure (Yes/No)
1.	HDFC Bank	Long Term Loan	March 02, 2023	2,372.00	Capital Expenditure	1,832.87	8.35%	Monthly Instalment for Residual tenor of BOB Sanction Limits. <sup>(1)</sup>	N.A.	Construction of Warehouse	Yes
2.		Long Term Loan	March 02, 2023	1,000.00	Capital Expenditure	650.00	8.35%	60 Months	N.A.	Construction of Warehouse	Yes
3.		Long Term Loan	February 24, 2021	1,426.50	Capital Expenditure	578.57	8.00%	80 Months	N.A.	Construction of Warehouse	Yes
4.		Cash Credit	May 16, 2024	13,500.00	For augmentation of working capital Requirements	13,426.70.	8.50% Linked to 3M T-Bill	Repayable on demand and renewable every year. <sup>(2)</sup>	2% on the outstanding principle amount.	Working Capital Requirement	No
5.	AXIS Bank	Channel Finance	November 02, 2023	1,000.00	For augmentation of working capital Requirements	990.80	REPO+2.50% P.A. i.e 9.00%	Maximum usance is 90 days from the date of drawdown <sup>(3)</sup>	N.A.	Working Capital Requirement	No
6.		Term Loan	December 27, 2023	255.50 <sup>#</sup>	Capital Expenditure	180.26	8.80%	The Tenure of 47 Months for loan amounting to ₹224.00 Lakhs and 23 Months for amounting to ₹31.50 Lakhs	N.A.	Purchase of Construction Equipment	Yes
7.		Term Loan	February 28, 2024	402.78	Capital Expenditure	321.25	9.20%	47 Months	N.A.	Purchase of Construction Equipment	Yes
8.		Term Loan	July 17, 2023	171.50	Capital Expenditure	123.95	8.80%	58 Months	N.A.	Purchase of Construction Equipment	Yes
9.	Standard Chartered	Channel Finance	December 30, 2023	1,500.00	For augmentation of working capital Requirements	1,487.17	9.00%	Tenor of 60 days <sup>(4)</sup>	N.A.	Working Capital Requirement	No
10.	YES Bank	Channel Finance	January 31, 2024	1,000.00	For augmentation of working capital Requirements	987.82	8.50%	Tenor of 60 days	N.A.	Working Capital Requirement	No



Sr. No.	Name of the lender	Nature of the borrowing	Date of sanction	Sanctioned Amount as per Date of Sanctioned Letter (Rs in Lakhs)	Purpose of borrowing	Amount outstanding as at March 18, 2025	Interest rate as at March 18, 2025 (% per annum)	Schedule of repayment/term	Prepayment penalty	Purpose of utilisation of borrowing	Whether utilised for capital expenditure (Yes/No)
11.	DBS	Channel Finance	May 29, 2024	1,000.00	For augmentation of working capital Requirements	991.20	8.75%	Tenor of 90 days <sup>(5)</sup>	N.A	Working Capital Requirement	No
12.	Tata Capital Limited	Channel Finance	November 29, 2023	2,000.00	For augmentation of working capital Requirements	1,999.91	9.90%	Interest to be paid on monthly rest basis and principal to be repaid within 90 days of disbursement of each tranche	4% of the sanction Amount + Applicable GST	Working Capital Requirement	No
13.	Federal Bank	Channel Finance	January 29, 2024	1,000.00	For augmentation of working capital Requirement	992.05	8.60% (Repo Rate + 2.10%) P.A	60 Days <sup>(6)</sup>	2% of the limit sanctioned including adhoc limit if sanctioned	Working Capital Requirement	No
14.	ICICI Bank	Term Loan	May 19, 2023	220.00	Capital Expenditure	131.47	9.10 %	46 Months	NIL	Purchase of Construction Equipment's	Yes
		Channel Finance	October 23, 2024	1,000.00	For augmentation of working capital Requirements	990.00	9.00 %	60 Days	NIL	Working Capital Requirement	No
15.	Punjab National Bank	Term Loan	November 19, 2021	635.00	For augmentation of working capital Requirements	423.33	9.25%	72 months including moratorium period of 24 months	NIL	Working Capital Requirement	No
16.		Term Loan	December 23, 2020	1,270.00	To meet operational Liabilities and restart the business	238.13	9.25 %	Loan shall be repaid in 48 installments after the moratorium period is over	NIL	Working Capital Requirements	No
17.		Car Loan	October,30, 2021	81.00	Office Purpose	48.99	7.40%	Loan shall be repaid in 84 installments	NIL	Office Purpose	No
18.		Cash credit	March,10, 2025 <sup>@</sup>	17,500.00	For augmentation of working capital Requirements	15963.43	8.85 %	12 Months	2 % of Total Sanctioned Limit	Working Capital Requirement	No
Total				47,334.28		42,357.90					

<sup>(1)</sup> Initially the loan was sanctioned by Bank of Baroda on March 31, 2022. However, it has now been transferred to HDFC Bank.

<sup>(2)</sup> Facility is available for 12 Months subject to renewal after review at periodical intervals.

<sup>(3)</sup> Renewal after review at periodical intervals

<sup>(4)</sup> Renewal after review at periodical intervals

<sup>(5)</sup> Renewal after review at periodical intervals

<sup>(6)</sup> Renewal after review at periodical intervals

<sup>@</sup> The original sanction letter, dated January 8, 2023, with a sanctioned limit of ₹16,000 lakhs, has been revised effective March 10, 2025, to a new limit of ₹17,500 lakhs.

***Our Company has obtained the requisite certificate dated April 29, 2025 from A D V & Associates, Chartered Accountants the Statutory Auditors of our company 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 auditors certifying the utilization of loan for the purposed availed.***

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There have neither been any delays or defaults by us in relation to the above-mentioned borrowings intended to be repaid/prepaid using the Net Proceeds nor has there been any rescheduling/restructuring of such borrowings.

## 2. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹[●] towards general corporate purposes and the business requirements of our Company as approved by our management, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI ICDR Regulations (subject to finalization of Basis of Allotment).

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation:

- (1) Funding business development, strategic initiatives and growth opportunities;
- (2) Strengthening marketing capabilities and brand building exercises;
- (3) Meeting corporate contingencies, creditors and all expenses including all taxes paid in ordinary course of business;
- (4) Any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes based on the amount actually available under this head and the business requirements of our Company, from time to time and/or as determined by the Board of Directors. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount in the next Fiscal.

## Issue Expenses

The total expenses of the issue are estimated to be approximately ₹[●] lakhs. The expenses of the issue include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLM, fees payable to legal counsel, fees payable to the Registrar to the Issue, escrow collection bank to the issue and sponsor bank(s), including processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up for the estimated Issue expenses are as follows:

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the BRLM including underwriter commission	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank (for Bids made by Retail Individual Bidders using UPI) and Bankers to the Issue. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>	[●]	[●]	[●]
Fees for the legal counsels appointed for the purpose of the Issue	[●]	[●]	[●]
Others (Industry Report, charges for monitoring Agency, Restated financials, NSDL & CDSL Fees, Verification Charges etc.)	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	[●]	[●]

Issue expenses include applicable taxes, where applicable. Issue expenses will be finalized on determination of issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change

#### **For Sub-Syndicate Members, RTAs and CDPs**

- 1) *Selling commission payable to the SCSBs on the portion, RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for RIBs: [●] % of the Amount Allotted\* (plus applicable taxes)*

*Portion for Non-Institutional Bidders: [●] % of the Amount Allotted\* (plus applicable taxes)*

*\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue) 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.*

*No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them.*

*Processing fees payable to the SCSBs on the RIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

<i>Portion for RIB and Non-Institutional Bidders</i>	<i>₹[●] per valid application (plus applicable taxes)</i>
--	---

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

- 2) *The processing fees for applications made by Retail Individual Bidders, Eligible Employees and Non Institutional Investors using the UPI Mechanism would be as follows:*

<i>Members of the Syndicate / RTAs / CDPs (uploading charges)</i>	<i>₹[●] per valid application (plus applicable taxes)</i>
<i>Sponsor Bank</i>	<i>₹[●] per valid application form* (plus applicable taxes).</i>  <i>The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws</i>

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

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.*

*Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and Eligible Employee(s) using the UPI Mechanism would not exceed ₹[●] (plus applicable taxes) and in case if the total uploading charges/ processing fees exceeds ₹[●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis (plus applicable taxes).*

- 3) *Selling commission on the portion for RIBs, Non-Institutional Bidders, which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & company account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

- a) *Portion for RIBs: [ • ] % of the Amount Allotted\* (plus applicable taxes)*
- b) *Portion for Non-Institutional Bidders: [ • ] % of the Amount Allotted\* (plus applicable taxes)*

*\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

4) *Uploading Charge/processing Charges:*

- a) *Payable to members of the Syndicate (including their sub-Syndicate Members), on the applications made using 3-in-1 accounts, would be: ₹[ • ] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate Members).*
- b) *Bid Uploading charges payable to the SCSBs on the portion of Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking and uploading would be: ₹[ • ] per valid application (plus applicable taxes).*

*Notwithstanding anything contained above the total uploading charges payable under this clause will not exceed ₹[ • ] (plus applicable taxes) and in case if the total uploading charges exceeds ₹[ • ] (plus applicable taxes) then uploading charges will be paid on pro-rata basis.*

*The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the 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.*

*Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), on the portion for RIBs, Eligible Employees and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹[ • ] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members).*

*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.*

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).*

*The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary, if any.*

#### **Interim use of Net Proceeds**

We, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

## **Bridge Financing Facilities**

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

## **Monitoring Utilization of Funds**

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Prospectus with RoC, we will appoint a monitoring agency to monitor the utilization of the Gross Proceeds. 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. 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 the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet until such time as the Gross Proceeds remain unutilized, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

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 Gross 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 utilized 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 Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the statutory auditors 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 Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the 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 Directors report, after placing the same before the Audit Committee.

## **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter 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, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **Other Confirmations**

None of our Promoters, Directors, Group Companies, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Net Proceeds. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with the Promoters, the Directors, the Group Companies, the Key Managerial Personnel or members of the Promoter Group in relation to the utilisation of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Issue as set out above.

Further, pursuant to the Issue, the Net Proceeds received by our Company shall only be utilized for objects identified by our Company and for general corporate purposes and none of our Promoter, member of our Promoter Group, Group Companies and associates of our Company, as applicable, shall receive any part of the Net Proceeds, directly or indirectly.

## BASIS FOR ISSUE PRICE

The Price Band will be determined by our Company, in consultation with the BRLM, and the Issue Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is [•] times the Floor Price and [•] times the Cap Price, and Floor Price is [•] times the face value and the Cap Price is [•] times the face value.

Investors should also see “Risk Factors”, “Summary of Financial Information”, “Our Business”, “Restated Financial Information”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 36, 93, 200, 271 and 330 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- Distributor of long and flat products in the state of Bihar with a supply in 29 out of 38 districts.
- Founder led Company supported by experienced and professional leadership team.
- In house Logistics for supply of products resulting in economies of scale and cost reductions.
- Selling and Distribution network.
- Extensive number of dealers and long term relationship with them.
- Experienced Promoters and Management Team with a Employee Base

For further details, see “Risk Factors” and “Our Business” on pages 36 and 200 respectively.

### Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see “Restated Financial Statements” and “Other Financial Information” beginning on pages 271 and 328, respectively.

#### A. Basic and Diluted Earnings Per Equity Share (“EPS”) (face value of each Equity Share is ₹10):

Fiscal	Basic EPS (₹)	Diluted EPS(₹)	Weight
2022	5.04	5.04	1
2023	5.16	5.16	2
2024	4.73	4.73	3
<b>Weighted Average</b>	<b>4.93</b>	<b>4.93</b>	<b>-</b>
<b>December 31, 2024<sup>^</sup></b>	<b>3.45</b>	<b>3.45</b>	

<sup>^</sup>Not Annualised

#### Notes:

- 1) Basic EPS is calculated as restated profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period.
- 2) Diluted EPS is calculated as restated profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/ period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.
- 3) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.



- 4) Basic and diluted earnings/(loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.
- 5)

**B. Price/Earnings (“P/E”) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:**

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for financial year ended March 31, 2024	[●]*	[●]*
Based on Weighted Average EPS	[●]*	[●]*

*\*To be updated at Prospectus stage.*

**C. Industry Peer Group P/E ratio**

Particulars	P/E Ratio
Highest	40.13
Lowest	20.69
Industry Composite	31.10

- 1) The industry high and low has been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For details, see “ “Basis for Issue Price”– Comparison with Listed Industry Peers” on page 139.
- 2) The industry P / E ratio mentioned above is for the financial year ended March 31, 2024.
- 3) We have considered PE of Shiv Aum Steel Limited to be the industry PE there is no other comparable peer.

**D. Return on Net Worth (“RoNW”)**

Fiscal	RoNW(%)	Weight
2022	33.44%	1
2023	23.26%	2
2024	17.45%	3
<b>Weighted Average</b>	11.07%	
<b>December 31, 2024^</b>	22.05%	

*^Not Annualised*

**Note:**

Return on Net Worth is calculated as Restated Profit for the year attributable to the equity shareholders of the Company divided by average net worth. For the purposes of the above, “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 each as applicable for the Company on a restated basis. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.

**E. Net Asset Value (“NAV”) per Equity Share:**

Particulars	Amount (₹)
As at March 31, 2024	29.49
As on December 31, 2024	32.93
After the Issue	
At the Floor Price	[●]
At the Cap Price	[●]
At Issue Price	[●]

**Notes:**

- Issue Price per equity share will be determined on conclusion of the Book Building Process.
- Net asset value per equity share represents restated net worth attributable to equity shareholders of the Company (excluding non- controlling interest) at the end of the year divided by weighted average numbers of equity share outstanding during the respective year.

## Comparison with Listed Industry Peers:

Companies	Face Value (₹)	Sales (₹ in Lakhs.)	PAT (₹ in Lakhs.)	EPS (₹)	P/E Ratio	RoNW (%)	CMP (₹)
BMW Ventures Limited	10	194,203.15	2,993.54	4.73	-	16.03%	-
<b>Peer Groups:*</b>							
Shiv Aum Steel Limited	10	54,951.76	1,016.85	7.48	33.42	9.60%	250.00

\*Source for Peer Group information: [www.nseindia.com](http://www.nseindia.com)

- The figures of Our Company are based on the restated financial results for the year ended March 31, 2024.
- The figures for the Peer group are based on audited results for the Financial Year ended March 31, 2024.

#The Scrip of the Peer Company was last traded on February 12, 2025

The Issue price is [ • ] times of the face value of the Equity Shares.

## F. Key Performance Indicators (“KPIs”)

The table below sets forth the details of our Key Performance Indicators that our Company considers have a bearing for arriving at the basis for Issue Price. The Key Performance Indicators set forth below have been approved by our Audit Committee pursuant to the resolution at its meeting dated April 25, 2025. Further, our Company’s Audit Committee has on April 25, 2025, taken on record that other than the Key Performance Indicators set out below, our Company has not disclosed any other Key Performance Indicators during the 3 years preceding the date of this Draft Red Herring Prospectus to its investors.

Additionally, the Key Performance Indicators have been certified by the Statutory Auditors of our Company, M/s. A D V & Associates, Chartered Accountants, pursuant to a certificate dated April 25, 2025, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Statutory Auditors certificate dated April 25, 2025, has been included in the section ‘Material Contracts and Documents for Inspection’ of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyse the operational and the financial performance, which in result, helps it in analysing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Issue Price have been disclosed below.

## Financial Performance Indicators

(₹ in lakhs)

Particulars	April to December 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations <sup>1</sup>	147,717.92	193,819.63	201,509.72	156,358.80
Total Revenue <sup>2</sup>	148,042.65	194,203.15	201,812.23	156,643.75
EBITDA	6,310.13	7,255.66	6,784.59	6,414.71
EBIT	5,954.04	6,835.97	6,389.08	5,941.48
EBT	3,095.18	4,036.70	4,323.94	4,299.40
PAT	2,186.66	2,993.54	3,265.86	3,194.01
EBITDA Margin <sup>3</sup>	4.27%	3.74%	3.37%	4.10%
EBIT Margin <sup>4</sup>	4.02%	3.52%	3.17%	3.79%
EBT Margin <sup>5</sup>	2.09%	2.08%	2.14%	2.74%
PAT Margin <sup>6</sup>	1.48%	1.54%	1.62%	2.04%
Net Worth	20,850.81	18,670.81	15,647.70	12,431.62
Total Borrowing	44,072.17	39,529.66	28,358.44	16,328.59
Debt / Equity <sup>7</sup>	2.11	2.12	1.81	1.31
Interest Coverage Ratio <sup>8</sup>	2.08	2.44	3.09	3.62
RoE <sup>9</sup>	10.49%	16.03%	20.87%	25.69%

Particulars	April to December 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
RoCE <sup>10</sup>	9.10%	11.68%	14.31%	20.17%
Net Debt / EBITDA <sup>11</sup>	6.93	5.39	4.18	2.44

### Explanation for Key Performance Indicators

1. Revenue from operations refers to revenue from sales of product and services and other operating income.
2. Total Revenue refers to Revenue from operations plus Other Income.
3. EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4. EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5. EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6. PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7. Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8. Interest Coverage Ratio is used to measure the ability of company to make interest payments from its available earnings.
9. RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
10. RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generates the returns against the capital it put to use.
11. Net Debt / EBITDA ratio is a financial leverage metric used to measure a company's ability to pay off its debt obligations with available earning. It is also used as proxy for payback period assuming the company operates at current level to become debt-free.

### Comparison with listed peers:

(₹ in lakhs)

Particulars	BMW Ventures Limited			Shiv Aum Steel Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	193,819.63	201,509.72	156,358.80	54,752.84	49,592.70	40,682.57
Total Revenue	194,203.15	201,812.23	156,643.75	54,951.76	49,723.97	40,753.50
EBITDA	7,255.66	6,784.59	6,414.71	2,103.65	2,503.90	2,069.28
EBIT	6,835.97	6,389.08	5,941.48	2,049.75	2,446.52	2,007.71
EBT	4,036.70	4,323.94	4,299.40	1,364.69	1,935.30	1,652.11
PAT	2,993.54	3,265.86	3,194.01	1,016.85	1,431.83	1,249.13
EBITDA Margin	3.74%	3.37%	4.10%	3.84%	5.05%	5.09%
EBIT Margin	3.52%	3.17%	3.79%	3.73%	4.92%	4.93%
EBT Margin	2.08%	2.14%	2.74%	2.48%	3.89%	4.05%
PAT Margin	1.54%	1.62%	2.04%	1.85%	2.88%	3.07%
Net Worth	18,670.81	15,647.70	12,431.62	10,592.18	9,575.33	8,143.49
Total Borrowing	39,529.66	28,358.44	16,328.59	6,917.96	5,887.26	4,570.63
Debt / Equity	2.12	1.81	1.31	0.65	0.61	0.56
Interest Coverage Ratio	2.44	3.09	3.62	2.99	4.79	5.65
RoE	16.03%	20.87%	25.69%	9.60%	14.95%	15.34%
RoCE	11.68%	14.31%	20.17%	11.71%	15.82%	15.79%
Net Debt / EBITDA	5.39	4.18	2.44	3.22	2.34	2.20

## Operational KPI

### Product Wise Quantity Sold

Particulars	QTY	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>Long Product</b>						
TMT	MT	1,54,256	2,06,100	1,99,446	1,52,423	1,48,359
Structura - Rectangular, Square and Circular Steel Hollow Sections	MT	10,812	9,437	6,094	5,419	5,978
Wire - Galvanized wires	MT	4,927	5,299	6,574	5,782	6,028
<b>Flat Product</b>						
GC Sheet -Galvanized Corrugated Sheets	MT	14,076	19,556	20,333	18,587	22,476
GP Sheet - Galvanized Sheets	MT	14,199	14,771	15,105	14,073	10,446
HR Sheet - Hot Rolled Sheets & Coils	MT	11,811	15,215	14,240	11,766	15,186
GC Sheet - Colour Coated	MT	3,419	4,966	4,275	3,935	4,261
CR Sheet - Cold rolled Sheets & Coil	MT	4,311	5,567	6,180	3,388	2,234
<b>Other Steel Product</b>						
Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers	Pcs	5,35,010	2,04,939	5,72,268	6,35,511	9,79,736
Door - Residential & Commercial doors and windows	Pcs	5,436	6,562	8,317	5,759	3,442
Distribution of Tractor Engine	Pcs	151	276	411	569	1,452
PVC Pipes	MT	63	152	284	200	255
Pre-Engineered Buildings	MT	711	1,512	128	-	-
Steel Girders	MT	-	604	-	-	-
Roll Forming - GP Sheet Blue Diamond	MT	97	254	367	175	-

### Average Realisation Per Unit - Product Wise

Particulars	Unit	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Long Product</b>					
TMT	₹ Per Ton	63,141.88	62,670.46	69,230.47	64,051.81
Structura - Rectangular, Square and Circular Steel Hollow Sections	₹ Per Ton	61,223.00	68,327.77	62,761.66	74,353.65
Wire - Galvanized wires	₹ Per Ton	79,528.73	81,573.89	84,287.57	71,697.42
<b>Flat Product</b>					
GC Sheet -Galvanized Corrugated Sheets	₹ Per Ton	87,625.92	89,697.41	89,696.97	90,076.26
GP Sheet - Galvanized Sheets	₹ Per Ton	68,613.39	74,099.39	75,810.87	85,112.96
HR Sheet - Hot Rolled Sheets & Coils	₹ Per Ton	51,400.94	56,541.93	59,168.88	66,075.43
GC Sheet - Colour Coated	₹ Per Ton	1,17,358.68	1,15,354.05	1,20,452.32	1,32,114.77
CR Sheet - Cold rolled Sheets & Coil	₹ Per Ton	62,630.25	66,254.89	70,888.36	78,282.97
<b>Other Steel Product</b>					
Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers	₹ Per Pcs	246.83	732.15	196.08	174.60
Door - Residential & Commercial doors and windows	₹ Per Pcs	19,126.61	17,619.65	17,615.33	17,362.89
Distribution of Tractor Engine	₹ Per Pcs	6,58,508.68	6,24,674.26	6,09,799.32	5,69,586.16
PVC Pipes	₹ Per Ton	1,04,487.78	1,05,098.72	1,20,342.18	1,20,539.68

Particulars	Unit	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Pre-Engineered Buildings</b>	₹ Per Ton	75,711.73	73,974.88	77,343.46	-
<b>Steel Girders</b>	₹ Per Ton	-	82,819.77	-	-
<b>Roll Forming - GP Sheet Blue Diamond</b>	₹ Per Ton	98,223.25	1,02,784.94	1,03,911.99	1,04,360.14

**No. of Dealers:**

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No of Dealers	1,279	1,251	1,122	967

**Weighted average cost of acquisition, floor price and cap price:**

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

There has been no issuance of Equity Shares, 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 the Company (calculated based on the pre-issue capital before such transaction(s) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of Equity shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction in a single transaction or multiple transactions combined together over a span of rolling 30 days.

*c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last five primary or secondary transactions (secondary transactions where our Promoters/ members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is as below:*

Date of allotment/ transaction	No. of equity shares	Face value per Equity Share (₹)	Issue/ Transaction price per equity share (₹)	Nature of allotment/ transaction	Nature of consideration	Total consideration (in ₹ lakhs)
<b>Primary Issuance</b>						
March 20, 2024	4,74,86,250	10.00	N.A	Bonus	N.A	N.A
<b>Weighted Average Cost of Acquisition (Primary transactions)</b>						<b>Nil</b>
<b>Secondary Transaction</b>						
April 01, 2022	4,96,350	10.00	N.A	Gift	N.A	N.A
	30,72,650	10.00	61.00	Transfer	Cash	1,874.32
February 12, 2024	28,00,000	10.00	N.A	Gift	N.A	N.A
February 22, 2024	6,570	10.00	99.00	Transfer	Cash	6.50
February 29, 2024	59,130	10.00	99.00	Transfer	Cash	58.53
<b>Weighted Average Cost of Acquisition (Secondary transactions)</b>						<b>30.14</b>

Weighted average cost of acquisition, floor price and cap price:

Past Transactions	Weighted Average Cost of Acquisition per Equity Share (₹)	Floor Price is ₹[•]	Cap Price is ₹[•]
I. Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this draft red herring prospectus, where such issuance is equal to or more than 5.00% of the fully diluted paid-up share capital of the company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	N.A	[•]	[•]
II. Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) in our board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this prospectus, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	N.A	[•]	[•]
Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below			
(a) Based on primary issuances	Nil	[•]	[•]
(b) Based on secondary transactions	30.14	[•]	[•]

The above details have been certified by A D V & Associates., Chartered Accountants by their certificate dated April 25, 2025.

The Issue price is [•] times of the Face Value of the Equity Shares.

The Issue Price of ₹[•] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 36, 200, 330 and 271, respectively, to have a more informed view.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
**The Board of Directors**  
**BMW Ventures Limited**  
1<sup>st</sup> Floor, Mona Cinema Complex,  
East Gandhi Maidan, Patna- 800004

### **Statement of Special Tax Benefits available to BMW Ventures Limited and its shareholders under the Indian tax laws**

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 ('Act'), as amended by the Finance Act, 2025, read with rules, circulars and notifications issued thereunder (Act) i.e. applicable for FY 2025-26 and AY 2026-27, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

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

- 1) The Company or its shareholders will continue to obtain these benefits in future; or
- 2) The conditions prescribed for availing the benefits have been/would be met with.

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.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange(s)/ SEBI/ any regulatory authority in connection with the Issue and in accordance with applicable law.

**For A D V & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No.: 128045W

**Sd/-**  
**Pratik Kabra**  
**Partner**  
**Membership No: 611401**

**Place:** Mumbai  
**Date:** April 01, 2025

**UDIN:** 25611401BMHWNH1541



## **ANNEXURE A**

### **TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2024 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

#### **1. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

The company has opted for lower tax regime applicable for Domestic Companies as per section 115BAA of Income Tax Act, under which the company is liable to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess ).", other than above there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, 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 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

#### **2. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.
2. The above is as per the Tax Laws as on date.
3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income tax consequences that apply to them.

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

#### 1. Global macroeconomic overview

##### 1.1. GDP trend

In 2024 and 2025, global gross domestic product (GDP) growth is projected to continue to trend below the historical annual average of 3.8% logged between 2000 and 2019, reflecting ongoing challenges such as geopolitical tensions, high inflation and tightening monetary policies<sup>1</sup>.

Growth had contracted 2.7% in 2020 as the Covid-19 pandemic disrupted economic activity. However, the contraction was considerably lower than estimated by the International Monetary Fund (IMF), with a strong rebound in manufacturing, shift to new ways of working, and fiscal and policy support arresting a further slide.

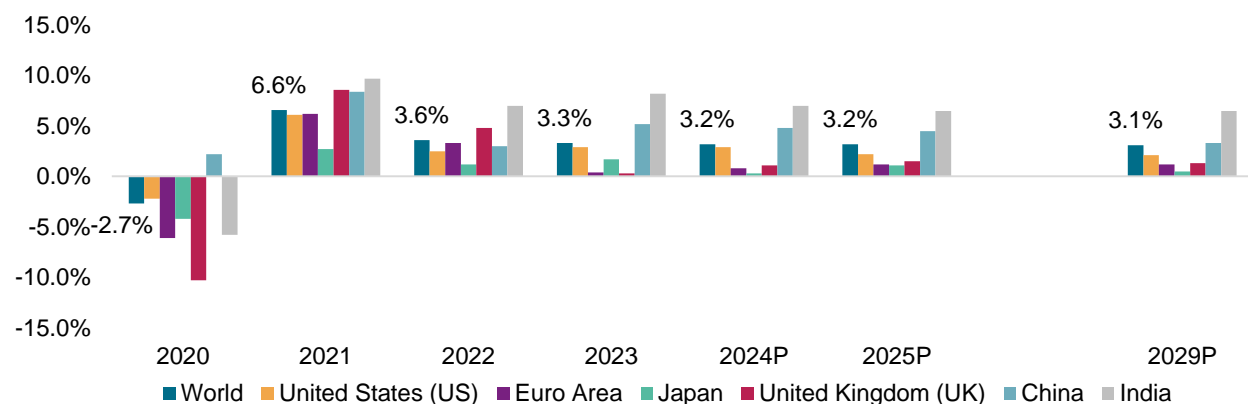
In 2021, global GDP growth rebounded to 6.6%, led by vaccine-powered normalisation and continued fiscal support. However, in 2022 and 2023, it slowed down to 3.6% and 3.3%, respectively, owing to challenges such as inflation driven by supply constraints, tightening financial conditions, long-term effects of the pandemic and geopolitical uncertainties.

##### Five-year historical data and growth forecast

The IMF estimates global GDP growth of 3.2% for both 2024 and 2025, considering geopolitical uncertainties and high debt. As inflation recedes, interest rates will gradually return to natural levels, compatible with output and inflation targets.

Regional outlooks have been revised owing to recent shocks and policies. The outlooks for the Middle East, Central Asia and sub-Saharan Africa have been revised downwards because of commodity production cuts, conflicts and unrest. In contrast, growth in emerging Asia has been stronger, driven by surging demand for semiconductors and electronics, fuelled by artificial intelligence (AI) investments.<sup>2</sup>

##### Economic review and outlook (growth rate)



P: Projected (years mentioned on the horizontal axis correspond to the calendar years)

Note: Unless mentioned otherwise, the years correspond to calendar years throughout the report, whereas India data is in fiscal years, 2020 being fiscal 2021 and so on.

Source: Crisil Intelligence, IMF, World Bank, S&P Global

1 IMF – World Economic Outlook October 2024

2 All outlooks as stated by IMF unless stated otherwise

## 1.2. Region-wise and country-wise economic review and outlook <sup>3</sup>

Real GDP (on-year growth)	2020	2021	2022	2023	2024P	2025P	2029P
World	-2.70%	6.60%	3.60%	3.30%	3.20%	3.20%	3.10%
Euro area*	-6.10%	6.20%	3.30%	0.40%	0.80%	1.20%	1.20%
Emerging and developing Asia	-0.50%	7.70%	4.40%	5.70%	5.30%	5.00%	4.50%
Emerging and developing Europe	-1.80%	7.10%	0.60%	3.30%	3.20%	2.20%	2.50%
Latin America and Caribbean	-6.90%	7.40%	4.20%	2.20%	2.10%	2.50%	2.60%
Middle East and Central Asia	-2.20%	4.40%	5.50%	2.10%	2.40%	3.90%	3.80%
Sub-Saharan Africa	-1.60%	4.80%	4.10%	3.60%	3.60%	4.30%	4.40%

\*The euro area consists of member states of the European Union that have adopted the euro as their currency

P: Projected (years mentioned on the horizontal axis correspond to the calendar years)

Source: Crisil Intelligence, Industry, IMF

Real GDP growth (on-year)	2020	2021	2022	2023	2024P	2025P	2029P
US	-2.20%	6.10%	2.50%	2.90%	2.80%	2.20%	2.10%
China	2.20%	8.40%	3.00%	5.20%	4.80%	4.50%	3.30%
Germany	-4.10%	3.70%	1.40%	-0.30%	0.00%	0.80%	0.70%
Japan	-4.20%	2.70%	1.20%	1.70%	0.30%	1.10%	0.50%
India	-5.80%	9.70%	7.00%	8.20%	7.00%	6.50%	6.50%
UK	-10.30%	8.60%	4.80%	0.30%	1.10%	1.50%	1.30%
France	-7.60%	6.80%	2.60%	1.10%	1.10%	1.10%	1.30%
Italy	-8.90%	8.90%	4.70%	0.70%	0.70%	0.80%	0.70%
Canada	-5.00%	5.30%	3.80%	1.20%	1.30%	2.40%	1.60%
Brazil	-3.30%	4.80%	3.00%	2.90%	3.00%	2.20%	2.50%

P: Projected (years mentioned on the horizontal axis correspond to the calendar years)

Source: Crisil Intelligence, Industry, IMF

The GDP trajectory varies for key economies and regions, as detailed below.

### US

The country's GDP growth, which expanded from 2.5% in 2022 to only 2.9% in 2023, would have been higher if not for high inflation and, consequently, the hike in interest rates by the US Federal Reserve (Fed) to cool the print, which impacted spending. The 2024 growth forecast has been revised up to 2.8% because of strong consumption and non-residential investment, driven by rising real wages and wealth effects. However, growth is expected to slow to 2.2% in 2025 as fiscal policy tightens and the labour market cools, closing the output gap.

### Euro area

The euro area growth slowed to 0.4% in 2023 owing to geopolitical issues, tighter financial conditions and high gas prices. Growth is expected to recover to 0.8% in 2024 and 1.2% in 2025, driven by improved exports, rising real wages and looser monetary policy, despite persistent manufacturing weakness in Germany and Italy.

### Japan

In 2023, Japan's economy grew at 1.7%, driven by pent-up demand, tourism and accommodative policies. However, growth is expected to slow to 0.3% in 2024 because of temporary supply disruptions and fading one-off factors. A rebound to 1.1% is predicted in 2025, driven by strengthening real wage growth and private consumption.

### UK

The UK's growth slowed to 0.3% in 2023 owing to tight monetary policy and high energy prices but was supported by a 2022 fiscal package. Growth is expected to accelerate to 1.1% in 2024 and 1.5% in 2025, driven by falling inflation and interest rates, which will stimulate domestic demand.

## **China**

China's GDP grew at 8.4% in 2021, driven by pent-up demand and strong exports. Despite a property market-driven downturn, growth is expected to slow gradually to 4.8% in 2024 and 4.5% in 2025, supported by better-than-expected net exports. Recent policy measures may provide upside risk to near-term growth.

## **India**

After a 5.8% contraction in 2020, the country's GDP rebounded, growing at 9.7%, 7.0% and 8.2% in 2021, 2022 and 2023, respectively. Growth is expected to moderate to 7% in 2024 and 6.5% in 2025, as pent-up demand is exhausted and the economy returns to its potential.

## **Middle East and Central Asia**

The Middle Eastern and Central Asian economy contracted 2.2% in 2020, then rebounded to grow at 4.4% and 5.5% in 2021 and 2022. Growth slowed to 2.1% in 2023 but is projected to pick up to 3.9% in 2025 as oil production and shipping disruptions fade. The 2024 projection was revised down to 2.4% owing to Saudi Arabia's oil production cuts and the ongoing conflict in Sudan.

## **Sub-Saharan Africa**

Sub-Saharan Africa's GDP contracted 1.6% in 2020, then grew at 4.8% in 2021 and 4.1% in 2022. Growth slowed to 3.6% in 2023 and 2024 because of weather disruptions and supply constraints. However, growth is projected to increase to 4.2% in 2025 as weather shocks abate and supply constraints ease.

## **Latin America and the Caribbean**

The Latin America and the Caribbean region is projected to grow at 2.1% in 2024, slower than 2.2% in 2023, before rebounding to 2.5% in 2025. Brazil's growth has been revised upwards to 3.0% in 2024, driven by strong private consumption and investment, but is expected to moderate to 2.2% in 2025 owing to a restrictive monetary policy and cooling labour market.

The GDP growth data reveals distinct patterns across major economies. India emerges as the standout performer, maintaining robust growth projections of 6.5% through 2029P despite the pandemic-related contraction of -5.8% in 2020. China's growth is strong but is projected to decelerate from 8.4% in 2021 to 3.3% by 2029P, reflecting its economic maturation. The divergence between emerging and developed economies is particularly striking in the recovery patterns. While emerging markets like India and China demonstrate a resilient growth momentum, developed nations show a clear trend toward lower growth rates in the latter half of the forecast period. This pattern suggests an accelerating shift in global economic gravity toward emerging markets, with India positioned to be a primary driver of global growth.

### **1.3. Inflation overview**

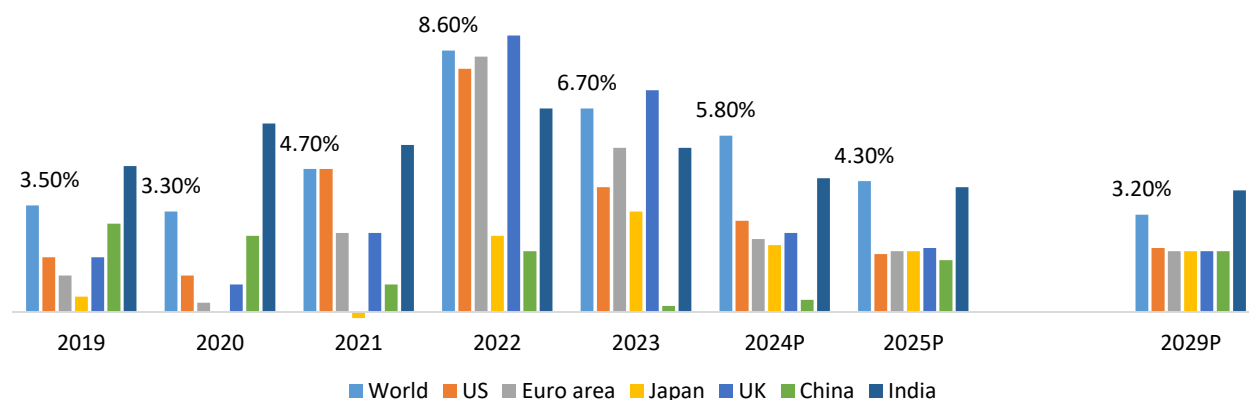
Global consumer price inflation, after ranging 3-5% between 2019 and 2021, jumped to 8.6% in 2022 because of sharp increase in prices of oil, natural gas, fertilisers and other commodities in the wake of geopolitical conflicts early on in the year. Supply chain disruption exacerbated the situation. However, in CY 2023, global inflation slowed to 6.7% because of the resolution of supply-side issues in a few industries.

### **Five-year historical data and growth forecast**

The IMF projects global inflation to decelerate to 5.8% in 2024 and 4.3% in 2025, driven by demand stabilization and a reduction in price-related pressures. The anticipated slowdown in inflation is attributed to a broad-based decline in global core inflation, influenced by the anticipation of tight monetary policies, a relative softening in labor markets, and a fading pass-through effect from previous price declines. In advanced economies, disinflation has come at a relatively low cost to employment, thanks to offsetting supply developments, including a faster-than-expected decline in energy prices and a surprising rebound in labor supply, bolstered by substantial immigration flows. The decline in

global inflation in 2024 and 2025 reflects a broad-based decrease in core inflation, unlike the situation in 2023, when headline inflation fell mainly due to lower fuel prices. Core inflation is expected to drop by 1.3 percentage points in 2024, following a 0.1 percentage point decrease in the previous year, indicating a weakening of underlying inflation drivers and a more sustainable decline in inflationary pressures, ultimately leading to a more stable economic environment. This trend is expected to continue, supporting global economic growth.

## Inflation review and outlook



Source: Crisil Intelligence, IMF, World Bank, S&P Global

P: Projected (years mentioned on the horizontal axis correspond to the calendar years)

Consumer prices (on-year growth)	2019	2020	2021	2022	2023	2024P	2025P	2029P
<b>World</b>	3.50%	3.20%	4.70%	8.70%	6.70%	5.80%	4.30%	3.40%
<b>US</b>	1.80%	1.20%	4.70%	8.00%	4.10%	3.00%	1.90%	2.10%
<b>Euro area</b>	1.20%	0.30%	2.60%	8.40%	5.40%	2.40%	2.00%	2.00%
<b>Japan</b>	0.50%	0.00%	-0.20%	2.50%	3.30%	2.20%	2.00%	2.00%
<b>UK</b>	1.80%	0.90%	2.60%	9.10%	7.30%	2.60%	2.10%	2.00%
<b>China</b>	2.90%	2.50%	0.90%	2.00%	0.20%	0.40%	1.70%	2.00%
<b>India</b>	4.80%	6.20%	5.50%	6.70%	5.40%	4.40%	4.10%	4.00%
<b>Emerging and developing Asia</b>	3.30%	3.20%	2.30%	3.90%	2.40%	2.10%	2.70%	2.80%

P: Projected (years mentioned on the horizontal axis correspond to calendar years for the world and countries except India; for India year 2019 refers to fiscal 2020 and so on)

Source: Crisil Intelligence, Industry, IMF

The overall inflationary trends for major economies are detailed below.

### US

The consumer price inflation eased from 8% in 2022 to 4.1% in 2023 and is expected to further fall to 3.0% in 2024. The on-year increase in consumer prices is projected to remain in the 2-2.1% range till 2029. The continuous fall in inflation from the high of 2022 is because of weakening economic growth and ongoing supply-side relief amid expectation of potential Fed interest rate cuts going forward.

### Euro area

Consumer price inflation eased from 8.4% in 2022 to 5.4% in 2023, and is expected to further fall to 2.4%, 2.0% and 2.0% in 2024, 2025 and 2029, respectively. The expected fall in inflation in the 1.9-2.0% in the medium to long term is due to easing wage growth, lower energy prices and normalised commodity price expectations.

## **Japan**

Inflation in Japan, which has traditionally remained below 1%, jumped to 2.5% in 2022 and 3.3% in 2023 due to a sharp increase in food prices and expensive imports because of weakening of yen. Going forward, inflation is expected to ease a bit but remains at 2.0-2.2% over the next 5 years due to high expectations of wage increments and depreciated yen.

## **UK**

Inflation jumped sharply to 9.1% in 2022, before easing to 7.3% in 2023. Going forward, inflation is expected to ease to the pre-pandemic levels and reach 2% in 2029. This, as a result of steep fall in oil and gas prices and softening in core price and service price pressures.

## **China**

Consumer price inflation eased from 2.5% in 2020 to 0.9% in 2021 due to the government's effective action to bolster production of daily necessities and smoothen the sharp fluctuation in commodity prices. In 2022, however, inflation increased to 2% because of an increase in pork prices. In 2023, inflation slipped again to 0.2% owing to weak domestic demand in the wake of a higher unemployment rate, slower income growth and the real estate market downturn. Going forward, inflation is expected to rise to 2% in medium to long term to reach near-optimum levels because of moderation in the demand-supply gap.

## **India**

India's consumer price inflation rate fluctuated between 4.80% in 2019 and 6.7% in 2022. Inflation rose sharply in 2020 (6.2%) and peaked in 2022 (6.7%), primarily due to global supply chain disruptions, pandemic-induced uncertainties, and surging commodity prices. However, post-2023, inflation began to decline steadily, reaching 5.4% in 2023 and is projected to stabilize at 4.0% by 2029. This decline reflects India's improved fiscal policies, structural reforms, and effective monetary measures by the Reserve Bank of India (RBI). Stabilization is also attributed to easing global uncertainties and better management of supply chain dynamics. The projections for 2024 onwards indicate a return to moderate inflation levels, balancing economic growth with price stability.

## **Emerging and developing Asia**

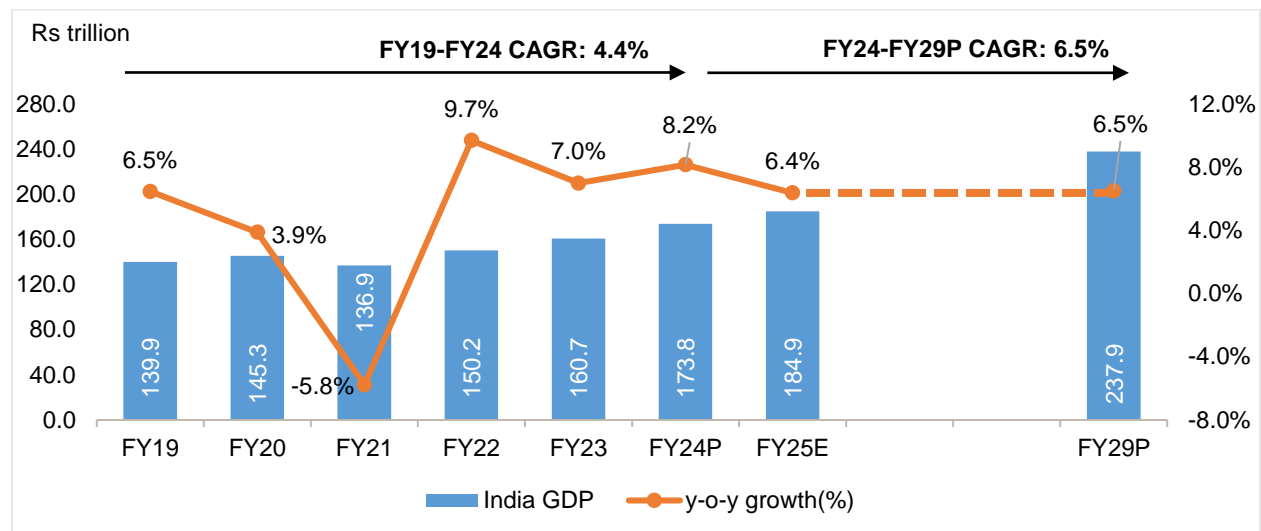
The global economy witnessed a long-period average growth of 3.8% during 2000-2019 before the pandemic-induced lockdowns brought economic activity to a standstill, resulting in the global gross domestic product (GDP) contracting 2.8% in 2020. This contraction was much lower than initially estimated, driven by a stronger rebound in manufacturing activity, adaptation to newer ways of working and strong fiscal policy-driven support by larger economies. The vaccine-powered normalisation alongside continued fiscal support helped GDP growth to rebound to 6.3% in 2021. The global economy witnessed multiple challenges in 2022, including high inflation driven by supply constraints, tightening financial conditions in most regions and the Russia-Ukraine conflict, which resulted in a slowdown in global GDP growth to 3.5%. Global GDP grew by 3.1% in 2023.

## **2. Indian macroeconomic overview**

### **2.1. GDP trend and composition by sectors**

India's GDP clocked a compound annual growth rate (CAGR) of 4.4% between fiscals 2019 and 2024 to Rs 173.8 trillion.<sup>6</sup> During this period, fiscal 2021 recorded an on-year decline of 5.8% because of pandemic-induced lockdowns. However, the post-pandemic period turned out to be positive, with GDP growing 9.7% and 7.0% on-year in fiscals 2022 and 2023, respectively, thanks largely to strong pent-up demand across sectors, primarily manufacturing and construction.

## Real GDP trend (at constant 2011-2012 prices)



For FY24 P: Provisional For FY29 P: Projected; E: Estimated, FY: Fiscal year  
Source: Central Statistical Office (CSO), Crisil Intelligence

India's real GDP is estimated to have grown 8.2% on-year in fiscal 2024 compared with 7.0% the previous fiscal. Although there will be support from the demand side on account of a normal monsoon and easing inflation, the first advance estimate has projected growth to slow to 6.4% in fiscal 2025. Manufacturing is projected to experience the sharpest decline, with growth estimates dropping from 9.9% to 5.3%. Other major contributors to GDP, such as trade and hotels, and financial services and real estate, are also likely to grow slower.

## On-year demand-side real GDP growth (%)

At constant 2011-2012 prices	FY19	FY20	FY21	FY22	FY23	FY24P	FY25E
Private consumption	7.1%	5.2%	-5.3%	11.7%	6.8%	4.0%	7.3%
Government consumption	6.7%	3.9%	-0.8%	0.0%	9.0%	2.5%	4.1%
Gross fixed capital formation	11.2%	1.1%	-7.1%	17.5%	6.6%	9.0%	6.4%
Exports	11.9%	-3.4%	-7.0%	29.6%	13.4%	2.6%	5.9%
Imports	8.8%	-0.8%	-12.6%	22.1%	10.6%	10.9%	-1.3%

Source: Crisil Intelligence, CSO  
E: Estimated; FY: Fiscal year P: Provisional

India's economic growth in fiscal 2024 has been largely driven by private sector investments, which is estimated to have grown by approximately 9% year-on-year. The government's initiatives, such as "Make in India" and "Atmanirbhar Bharat", have played a crucial role in supporting private sector investments in both traditional and new-age sectors.

However, investment growth has slowed in the current fiscal, due to a deceleration in government capital expenditure and sluggish private investments. As a result, gross fixed capital formation is expected to moderate to 6.4% year-on-year, down from 9.0% in the previous fiscal. On a positive note, consumption is expected to receive a boost in the this fiscal, with both government and private consumption anticipated to increase. Government consumption expenditure is projected to grow by 4.1% year-on-year, while private consumption expenditure is expected to rise by 7.3%, up from 4.0% in the previous fiscal.



## On-year supply-side gross value added by economic activity

At basic prices	FY19	FY20	FY21	FY22	FY23	FY24E	FY25P
Agriculture and allied	2.1%	6.2%	4.0%	4.6%	4.7%	1.4%	3.8%
Industry*	3.1%	-0.5%	-6.3%	8.3%	5.7%	7.3%	5.0%
Manufacturing	5.4%	-3.0%	3.1%	10.0%	-2.2%	9.9%	5.3%
Construction	6.5%	1.6%	-4.6%	19.9%	9.4%	9.9%	8.6%
Services^	7.2%	6.4%	-8.4%	9.2%	10.0%	7.6%	7.2%

\* Industry includes mining and quarrying, electricity, gas, water supply and other utilities

^ Services related to trade, hotels, transport, communication, broadcasting, finance, real estate, public administration, defence and professional and others

E: Estimated; FY: Fiscal year P: Provisional

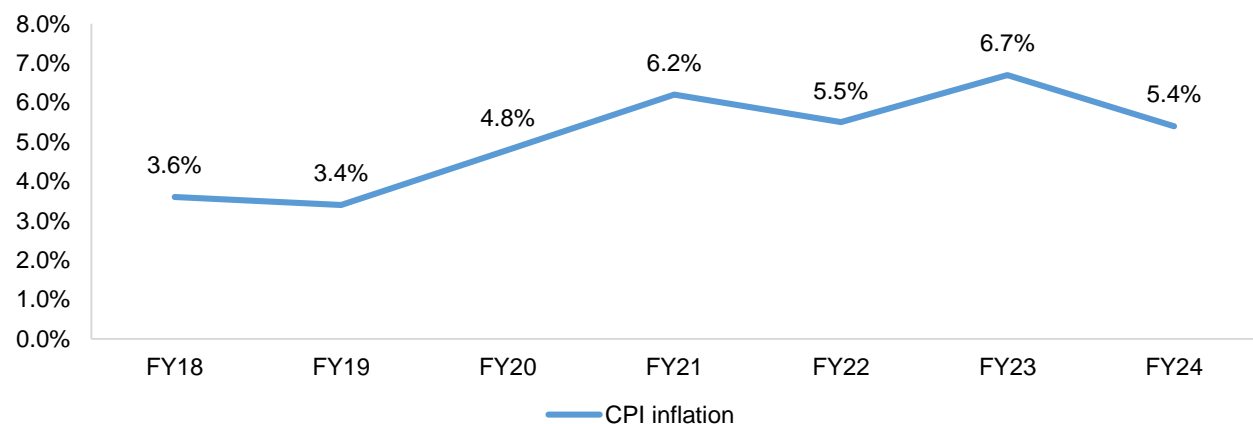
Source: Crisil Intelligence, CSO

On the supply side, India's GDP is estimated to have grown in fiscal 2024 owing to strong growth in construction, manufacturing, and services sectors, which benefitted from robust capital investments from the private sector.

## 2.2. Performance of key macroeconomic indicators

### Consumer Price Index inflation trend

India's average Consumer Price Index (CPI) inflation rate remained ~4.70% between fiscals 2018 and 2022. However, in fiscal 2023, it increased to 6.70%, mainly led by surging food prices before moderating slightly to an average of 5.4% in fiscal 2024. Although core and fuel inflation numbers have remained low, the food inflation has been keeping CPI inflation above the Reserve Bank of India's medium-level target rate of 4%. For instance, according to the CPI figures for March 2024, food inflation stood at 8.5%, primarily due to strong accelerations in inflation in foodgrains, meat and fish and slower pace of deflation in edible oils during the month.

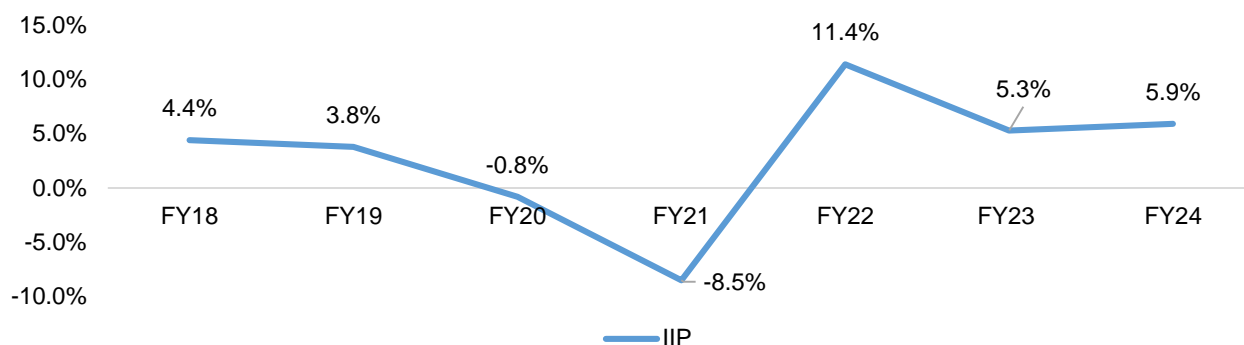


Source: National Statistical Office (NSO), Ministry of Industry and Commerce, Crisil Intelligence

P: Projected

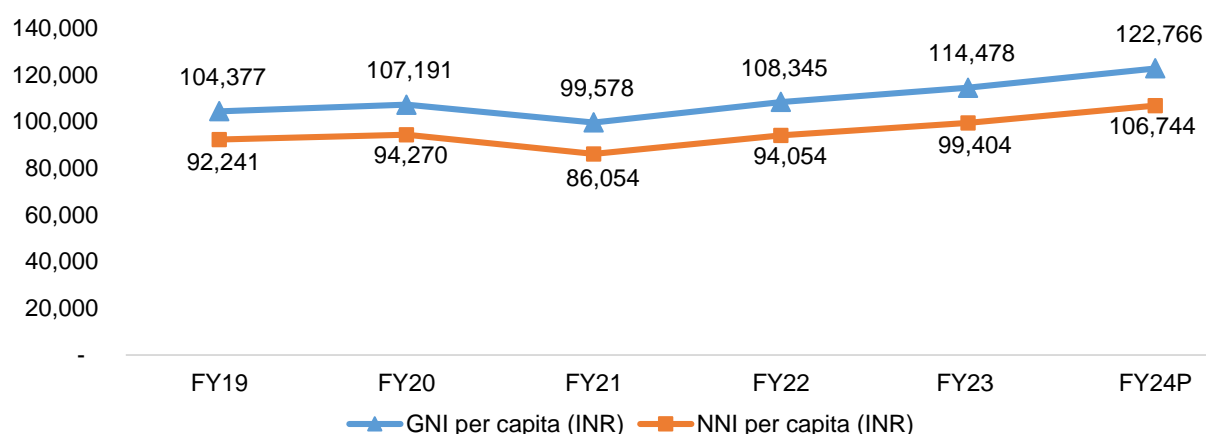
### Index of Industrial Production growth trend

India's Index of Industrial Production (IIP) averaged 3.8% between fiscals 2018 and 2023 before surging to 5.9% in fiscal 2024. The uptick in the index was mainly led by strong pick-up in the manufacturing of electrical equipment and basic metals. Further, an uptick in consumer durables sector aided the IIP growth.



Source: NSO, Ministry of Industry and Commerce, Crisil Intelligence

### Per capita GDP and income growth trend



Source: NSO, Ministry of Industry and Commerce, Ministry of Statistics and Programme Implementation, Crisil Intelligence  
P: Provisional; FY: Fiscal year

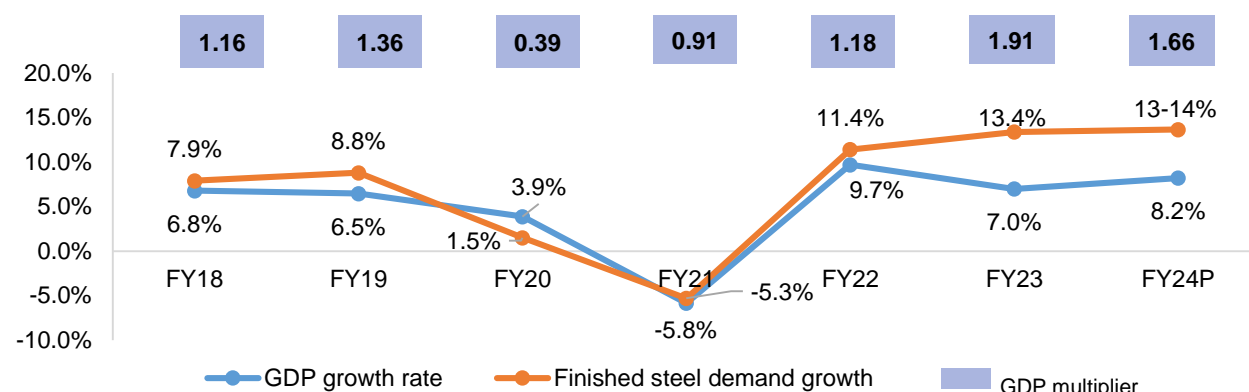
A country's gross national income (GNI) is derived at by adding receipts from overseas to the GDP and subtracting the payments made overseas in the form of wages, salaries and property income. Net national income (NNI) is obtained by subtracting asset depreciation from GNI. The growth trend in both GNI per capita and NNI per capita has largely been positive except for fiscal 2021, when they declined 7% and 9%, respectively on-year. The decline was primarily due to dip in GDP during the fiscal. However, in fiscal 2022, GNI per capita and NNI per capita grew ~9% each on-year, owing to recovery of demand, labour market and consumer sentiments. The growth largely remained rangebound with both the indicators increasing 5-7% on-year in fiscals 2023 and 2024, on account of economic stabilisation and a positive growth outlook.

### 2.3. Correlation of rise in steel demand with GDP growth

Given the huge population and low per capita steel consumption in India, the steel industry has a huge potential to become one of the economic growth drivers of the country. A comparative analysis between the growth in steel demand and country's GDP shows that the former has majorly outpaced the latter between fiscals 2018 and 2023, except fiscals 2020 and 2021. While fiscal 2020 saw slowdowns in major steel consuming sectors of automobile, construction, and infrastructure, fiscal 2021 witnessed COVID-19 pandemic-induced lockdowns.

Fiscal 2023 saw the growth rate ratio of steel demand to GDP reaching 1.9, owing to the recovery of economic activity from the lows of the pandemic and a strong pent-up demand from key steel consuming sectors. Despite a slight moderation to 1.7 in fiscal 2024, the said ratio/GDP multiplier has managed to remain higher than its pre-pandemic levels.

## Finished steel demand vs GDP growth



Note: Figures in boxes represent multiplier of steel demand to GDP growth

Source: Crisil Intelligence, Industry; P: Provisional

## 2.4. Macroeconomic factors impacting the steel sector

Since the steel industry accounts for a significant share in India's manufacturing sector and economic development, its performance is influenced by macroeconomic factors, such as GDP growth, inflation, exchange rates and gross fixed capital formation (GFCF). The impact of the factors is analysed below:

**GDP growth:** Growth in the industry is closely linked to that of GDP. As GDP grows, the demand for steel products from the construction, infrastructure and other manufacturing sectors also increases. Having expanded 11.4% and 13.4% in fiscals 2022 and 2023, respectively, steel demand is estimated to have grown 13-14% on-year in fiscal 2024, backed by government infrastructure spending, strong demand from the automotive and consumer goods sectors.

**Inflation:** Rising inflation pushes up input costs associated with raw material, energy and transportation, which can impact the profitability of steel manufacturers. Additionally, it can lead to increased interest rates, which hike borrowing costs for businesses and consumers, thereby affecting demand for steel products.

**Exchange rates:** The exchange rate of the Indian rupee against other major currencies impacts the industry. A stronger rupee can lead to a decrease in the cost of imported raw material, which can reduce the cost of production for steel manufacturers and vice versa.

**GFCF:** It measures investment in fixed assets, such as machinery, buildings and infrastructure. In fiscal 2023, GFCF surged to ₹ 53.46 trillion from ₹ 40.83 trillion in fiscal 2018. It is estimated to have further increased to ₹ 58.27 trillion in fiscal 2024. Between fiscals 2018 and 2024, the Indian steel sector witnessed significant growth in production and capacity expansion, mainly driven by investments in capacity expansion, modernisation, and technology upgradation.

## 2.5. Key government schemes for end-use industries

### National Steel Policy 2017

The National Steel Policy (NSP), approved in May 2017 by the Union Cabinet, seeks to boost domestic steel consumption, ensure high-quality steel production and create a technologically advanced and globally competitive steel industry.

NSP's vision for demand, supply and trade is:

- To increase steel consumption across the infrastructure, automotive and housing sectors, resulting in a potential rise in per capita steel consumption to 158 kg by fiscal 2030 from ~65 kg in fiscal 2017.

- To achieve 300 million tonnes of steelmaking capacity by 2030 through additional investments of INR 10 trillion.
- To produce steel domestically for high-end applications, such as electrical steel (cold-rolled grain-oriented), special steel and alloys for power equipment, aerospace, defence and nuclear applications.
- To eliminate reliance on steel imports and increase exports to ~24 million tonnes by 2030.

#### Indian steel industry: Historical trend and vision under NSP

Parameter (million tonnes)	NSP 2005	NSP 2017	FY23	FY24
	FY20	FY30		
	(Target)	(Target)		
<b>Crude steel capacity</b>		<b>300</b>	<b>161.30</b>	<b>179.51</b>
Crude steel production	110	255	127.20	144.30
Finished steel demand	90	230	119.89	136.29
Finished steel import	6	0	6.02	8.32
Finished steel export	26	24	6.72	7.49

Source: Crisil Intelligence, JPC report, NSP 2005, NSP 2017

#### Production Linked Incentive scheme

Keeping in view India's vision of becoming 'Atmanirbhar', an incentive outlay of ₹ 1.97 trillion (equivalent to over \$26 billion) under the PLI scheme for 14 key sectors is underway to enhance the country's manufacturing capabilities and exports. The implementation of the scheme across the sectors aims to attract investments (domestic and foreign) in the areas of core competency and apply cutting-edge technology; ensure efficiencies; create economies of scale and boost exports to make India an integral part of the global value chain.

Particulars	Units	Amount
PLI scheme led investment	Rs trillion	1.46
PLI scheme production/sales	Rs trillion	12.50
PLI scheme led exports	Rs trillion	4.00
PLI led Employment generation	In million	0.95 (direct and indirect)

Note: All figures in the table are until August 2024

#### Benefits through PLI scheme

##### Large scale electronics manufacturing (LSEM) sector

- Manufacturing of various electronic components, such as batteries, chargers, printed circuit board (PCB), camera modules, passive components and certain mechanics have been localised in the country
- PLI beneficiaries account for only ~20% of the market share. However, they contributed to ~82% exports of mobile phones in fiscal 2023
- Production of mobile phones surged by more than 125% and exports increased ~4x since fiscal 2021
- Foreign direct investment increased ~254% since the inception of the PLI scheme for LSEM

##### Pharma sector

- India manufactures unique intermediate material and bulk drugs, including Penicillin-G, significantly reducing imports of raw material in the sector
- India has commenced the localised production of 39 medical devices, such as CT-scan, linear accelerator, rotational cobalt machine, C-arm, MRI, catheterisation laboratory, ultrasonography, dialysis machine, heart valves and stents, among others

##### Telecom and drone sectors

- India has achieved an import substitution of 60% in the telecom sector

- PLI beneficiary companies have achieved a 370% increase in sales of telecom and networking products in fiscal 2024 vis-a-vis base fiscal 2020.
- The drone industry has witnessed a significant increase in investment at a CAGR of 90.74% over the past three fiscals

### **Food processing sector**

- There has been a significant increase in the sourcing of raw material from India, benefitting Indian farmers and small-scale industries
- Sales of organic products has increased, enhancing the visibility of Indian brands in the global market.
- The scheme has also led to increased millet procurement – which increased over five times between fiscals 2021 and 2023

### **Specialty steel sector**

- Ministry of steel has kept a target of generating an investment of ₹ 29.5 billion, an additional capacity of 25 million tonnes for producing specialty steel grades and an additional employment to about 17,000 people between fiscals 2024 and 2028 through its PLI program
- In fiscal 2024 itself, an estimated investment of around ₹ 160 billion has been made. In fiscal 2025, an investment of another ₹ 10 billion is expected to be made into the sector through the PLI scheme
- As of Q4 2024, 5 of the selected manufacturing companies had started production.

### **Production Linked Incentive scheme <sup>1.1</sup>**

The Indian government has introduced the PLI Scheme 1.1 to increase the production of specialty steel. This initiative focuses on five product categories: coated/plated steel products, high strength/wear resistant steel, specialty rails, alloy steel products and steel wires, and electrical steel.

The application window for the PLI Scheme <sup>1.1</sup> was open from January 6 to January 31, 2025, and investments made after January 6 will be eligible for the scheme. This version of the scheme will operate within the original allocation of Rs 6,322 crore for the steel sector's PLI Scheme. It aims to promote high-value steel manufacturing, reduce import dependence and strengthen India's position as a global steel powerhouse. The government also aims to attract investments and generate employment in the steel sector through this route.

## **2.6. Investment scenario in domestic steel manufacturing industry**

India's crude steel capacity as of fiscal 2024 stands at around 179.5 million tonnes. With the growing demand from steel in the domestic end use industries such as infrastructure, automobile, etc., the domestic steel producers are planning to ramp up their production output by increasing their manufacturing capacities and improving their capacity utilization levels.

- Between fiscals 2024-2026, India is expected to add 25-30 million tonnes of crude steel manufacturing capacity. This expected volume of capacity addition in India holds high significance as it is higher than the planned capacity additions by the ASEAN countries the middle east countries, which are also investing heavily in the steel sector. Notably, ASEAN and middle east countries are planning to add 15-20 million tonnes and 8-10 million tonnes of crude steel production capacities, respectively, during the same period
- Between fiscals 2024-2029, Indian steel makers are expected to add approximately 75 million tonnes of crude steel production capacity, which would take Indian steel manufacturing capacity to around 255 million tonnes in fiscal 2029

## Current and planned crude steel manufacturing capacities at key Indian steel producers

Steel producer	Units	FY 2024 capacity	FY 2029 expected capacity
SAIL	Million tonnes per annum	20	26
RINL	Million tonnes per annum	7	7
Tata Steel Ltd.	Million tonnes per annum	21	34
AMNS	Million tonnes per annum	10	19
JSW Ltd.	Million tonnes per annum	28	49
JSPL	Million tonnes per annum	10	21
NMDC	Million tonnes per annum	3	3
Others	Million tonnes per annum	80	96
<b>Total</b>	<b>Million tonnes per annum</b>	<b>179</b>	<b>255</b>

Source: Crisil Intelligence, Industry

SAIL: Steel Authority of India Ltd., RINL: Rashtriya Ispat Nigam Ltd., JSPL: Jindal Steel and Power Ltd.

Note: Capacities of Tata Steel Ltd. include capacities of Bhushan Steel Ltd. (BSL) and Neelachal Ispat Nigam Ltd. (NINL); Capacities of JSW Ltd. include capacities of Bhushan Power & Steel Ltd. (BPSL) and Monnet Ispat & Energy Limited

### 2.7. Investment scenario in domestic infrastructure segment

The government's focus on infrastructure development was evident in the budget 2025-2026 allocations as:

- INR 11.2 trillion, which is 3.1% of GDP, allocated for capital expenditure for infrastructure sector.
- Effective budget for fiscal 2026 with grants-in-aid (GIA), is 17.4% higher from INR 13.2 trillion to INR 15.5 trillion for fiscal year 2026.
- The Ministry of Road, Transport and Highways (MoRTH) and Ministry of Railways have the highest capex budgetary allocation, 24.4% and 22.5% respectively.
- The Agricultural Infrastructure sees a 20% on year rise increasing to INR 900 crores, this fund will address structural issues faced by farmers.
- To support states in infrastructure development, an outlay of INR 1.5 trillion is proposed for 50-year interest-free loans as capital expenditure and incentives for reforms.
- A plan to establish a Urban Challenge Fund with a corpus of 1 trillion is in works, to help in transforming cities into growth hubs.
- A maritime development fund of INR 25,000 crore will be set up to provide long-term financing to the maritime sector. This fund ensures substantial government support to the industry, which will help increase domestic production, whilst boosting international trade.

Note:

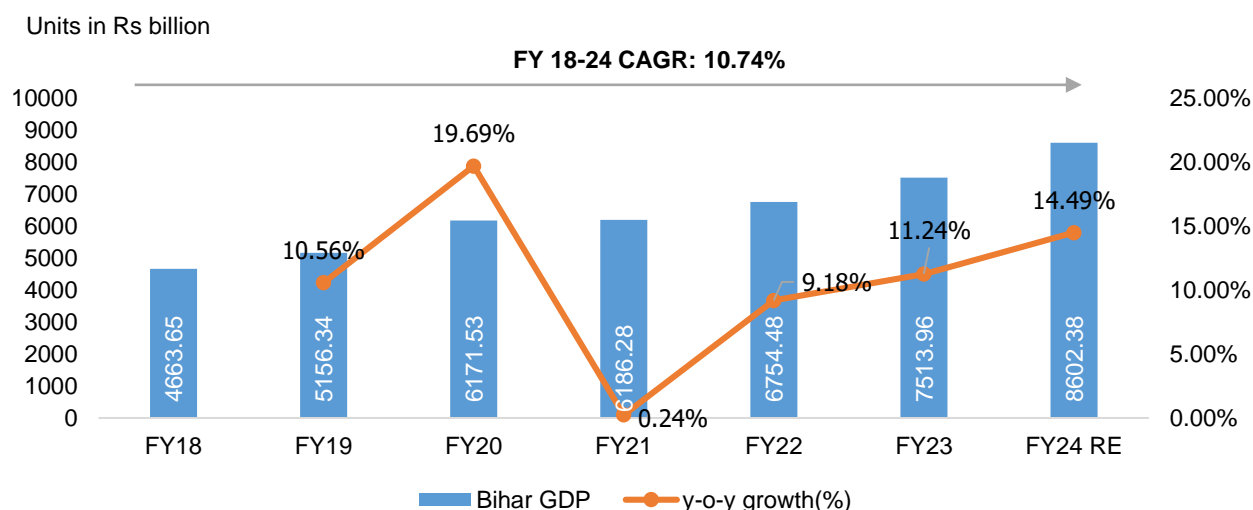
Overall, the infrastructure segment accounts for ~28-30% of the aggregate finished steel demand. Within the segment, roads and highways, and the railways (including metros), account for 50-60% of steel demand. Other significant contributors include sectors, such as irrigation, dams, water supply and sanitation.

### 3. Bihar macroeconomic overview

Bihar's GDP rose 10.74% CAGR between fiscals 2018 and 2024 to Rs 8,602.38 billion. While pandemic-led lockdowns resulted in GDP contracting 0.24% in 2021, the post-pandemic scenario proved positive for India as well as for Bihar. GDP rose 9.18% on-year in fiscal 2022 and further 11.24% in 2023, with the manufacturing and construction sectors witnessing the most sizeable rebound.

Bihar's gross state domestic product (GSDP) for fiscal 2024 (at current prices) is projected to be Rs 8,602.38 billion, amounting to 14.49% growth in fiscal 2023 (Rs 7,513.96 billion).

### Bihar's GDP trend



Source: Source: Bihar Economic Survey, Crisil Intelligence  
P: Projected, FY: Fiscal Year, RE: Revised estimates

Bihar stands out as a leading agricultural state, with a significant 80% of its population engaged in farming, surpassing the national average. The state is a major contributor to India's food production, ranking fourth in vegetable production and eighth in fruit production. Additionally, Bihar is experiencing rapid growth in industries such as food processing, dairy, sugar, manufacturing, and healthcare. To further drive development, the state is implementing initiatives to boost education, tourism, and other sectors, while also offering incentives to attract investments in IT and renewable energy projects.

In the Union Budget for 2025-26, Finance Minister Nirmala Sitharaman announced several initiatives aimed at bolstering Bihar's infrastructure, agriculture, and education sectors. Key announcements include:

#### 1. Establishment of a National Institute of Food Technology, Entrepreneurship, and Management in Bihar:

This institute will enhance food processing activities in the eastern region, generating employment opportunities for the youth. The institute will focus on research and development, entrepreneurship, and management in the food processing sector, with a special emphasis on traditional Bihar cuisine and products. The government announced the establishment of this institute, which is expected to be operational by 2027.

#### 2. Creation of a Makhana Board:

A dedicated board will focus on improving the production, processing, value addition, and marketing of makhana (fox nuts). Farmers engaged in makhana cultivation will be organized into Farmer Producer Organizations (FPOs) to receive training and support, ensuring they benefit from relevant government schemes. The government announced the creation of the Makhana Board, which will work closely with state governments, farmers, and industry stakeholders to promote makhana cultivation and processing.

#### 3. Expansion of IIT Patna:

The government plans to develop additional infrastructure at five IITs, including the expansion of IIT Patna, to accommodate more students and enhance academic resources. The expansion will include the construction of new hostels, laboratories, and research facilities, with a focus on emerging areas such as artificial intelligence, data science, and cybersecurity.



#### 4. Development of Greenfield Airports:

New greenfield airports will be established in Bihar, with the capacity of Patna Airport set to be expanded. Additionally, a brownfield airport will be developed at Bihta to improve air connectivity and support the state's growing economy.

#### 5. Financial Support for the Western Kosi Canal Project:

The Western Kosi Canal ERM Project in the Mithilanchal region will receive financial assistance, benefiting farmers cultivating over 50,000 hectares of land by ensuring better water management and increased agricultural productivity. The project will be implemented in partnership with the state government and other stakeholders.

#### 6. Allocation for Bihar's Road Network:

The development of Bihar's road network will include the construction of new highways, bridges, and flyovers. The allocation will focus on improving connectivity between major cities and towns, as well as enhancing rural road infrastructure.

#### 7. Support for Bihar's Agriculture Sector:

The government has announced several initiatives such as soil health cards, organic farming, and farm mechanization. The allocation will also support the state's efforts to increase crop productivity, improve irrigation systems, and enhance farmer incomes.

#### 8. Enhancement of Digital Infrastructure:

The government has announced the enhancement of digital infrastructure in Bihar, including the expansion of broadband services, improvement of mobile connectivity, and development of digital payment systems. The allocation will focus on improving digital literacy, enhancing e-governance, and promoting digital entrepreneurship in the state.

#### 9. Allocation for Bihar's Education Sector:

The government has announced the development of Bihar's education sector, including initiatives such as teacher training, infrastructure development, and scholarship programs. The allocation will focus on improving the quality of education, enhancing access to education, and promoting vocational training and skill development.

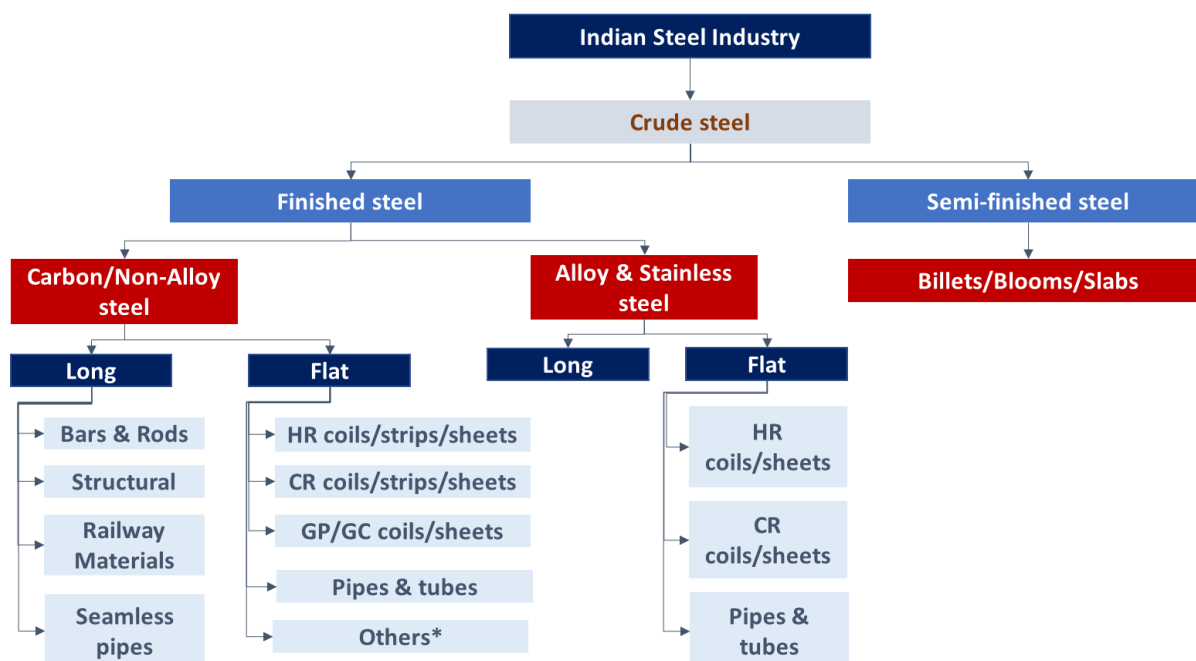
#### 10. Support for Bihar's MSME Sector:

The government announced the development of Bihar's MSME sector, including initiatives such as credit support, technology upgradation, and marketing assistance. The allocation will focus on promoting entrepreneurship, enhancing competitiveness, and increasing employment opportunities in the state.

These initiatives are part of the government's efforts to stimulate balanced growth across all regions, with a particular focus on Bihar's development. The government aims to leverage these initiatives to improve the state's infrastructure, enhance its agricultural productivity, and promote its industrial and economic growth.

### **4. Indian steel industry overview**

#### **4.1 Structure of Indian steel industry**



\* Others include prime plate plates, hot strip mill plates, colour-coated coils/sheets, electrical coils/sheets, tin plates, tin-free steel, tin mill black plates, pipes, etc

HR: hot rolled; CR: cold rolled

Source: Crisil Intelligence, Industry

Note: Pipes and tubes included under both flat carbon/non-alloy steel segment and flat alloy & stainless-steel segment include hollow section pipes and welded pipes. Further, seamless pipes under long segment also include hollow section.

#### Types/definition of steel

##### By Products:



**Long products:** Finished long steel products are typically produced by hot rolling/forging of bloom/billets/ingots into useable shape/sizes. These are normally supplied in straight length/cut length, except wire rods, which are supplied in wound coils. The different types of long products include bar and rods (thermo-mechanically treated (TMT) bars, wire rods, round bars, etc), structural steel (angles, channels, beams, fabricated sections, girders, etc), and railway materials.



**Flat products:** Flat products are produced from slabs/thin slabs in rolling mills using flat rolls, and comprise hot rolled (HR) and cold rolled (CR) coils, coated products, etc. HR flat products are produced by re-rolling slabs/thin slabs at high temperature (above 1,000°C) in plate mills or in hot strip mills. CR coils/strips are produced by cold rolling HR coils/strips in cold rolling mills (normally at room temperature). CR coils/strips/sheets are characterised by lower thickness, better/bright finish and specific mechanical/metallurgical properties.

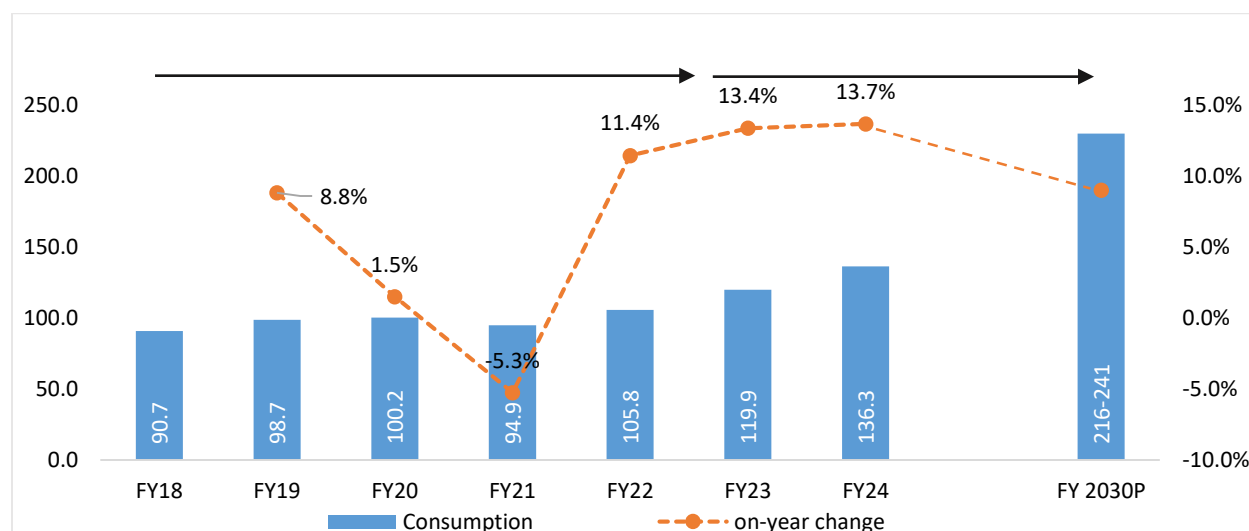
## 4.2. Indian steel sector review and outlook

The domestic steel demand has logged a significant 7% CAGR between fiscals 2018 and 2024. In fiscal 2021, the industry saw a 5.3% on-year decline in demand due to the pandemic. Demand rebounded in fiscal 2022, growing 11.4% on-year, with a revival of industrial activities, release of pent-up demand and growth inducement in key end-use sectors.

Steel demand grew 13.4% to 136.3 MT in fiscal 2024 from 100.2 million tonne (MT) in fiscal 2020, owing to the aggregate effect of growth in the end-use sectors of steel — such as automobile, infrastructure and construction —

and the market volatility faced during the pandemic. The increase in demand is expected to accelerate at a CAGR of ~8-10% by fiscal 2030, rising to 216-240 MT.

### Domestic steel consumption (MT)



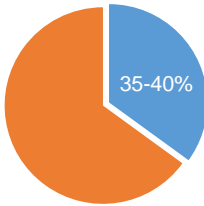
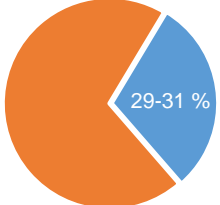
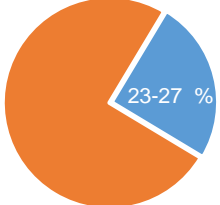
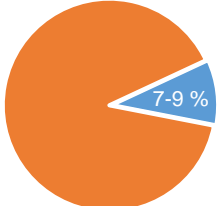
P: Projected

Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Building and construction (B&C), infrastructure and engineering, and packaging sectors make up ~90% of the aggregate demand for finished steel; B&C has the largest share. Infrastructure projects, housing and construction sectors are expected to spearhead the growth in steel demand between fiscals 2025 and 2030. Projects such as the Pradhan Mantri Awas Yojana (PMAY) and the National Infrastructure Pipeline (NIP) will help sustain the growth momentum.

### Steel consumption break-up by use

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Segment	Share of consumption	Growth in FY20-24	Growth in FY25-30P	Demand drivers
<b>BUILDING AND CONSTRUCTION</b>		5.4%	6–8%	<ul style="list-style-type: none"> <li>Affordable housing</li> <li>Pick-up in rural housing (healthy rural sentiments)</li> <li>Commercialisation of Tier III and IV cities</li> </ul>
<b>INFRASTRUCTURE</b>		8.8 %	10–12%	<ul style="list-style-type: none"> <li>Investment in developing 2,843 km of dedicated freight corridor; ~4,300 km more proposed</li> <li>Investment of Rs 24.93 thousand crore for urban infrastructure like mass rapid transit system (MRTS)</li> </ul>
<b>ENGINEERING AND PACKAGING</b>		8%	8–10%	<ul style="list-style-type: none"> <li>Push for sustainability will lead to increased steel demand</li> <li>Government initiatives like Atmanirbhar Bharat and PLI schemes increased domestic manufacturing</li> </ul>
<b>AUTOMOTIVE</b>		3.8%	5–7%	<ul style="list-style-type: none"> <li>Automotive production expected to drive demand growth, with cars/utility vehicles growing 1-3%</li> <li>Tractor production forecast to increase 6-8% in fiscal 2025 due to favourable weather and government measures</li> <li>Two-wheeler production anticipated to grow 15-17% in fiscal 2025 due to rural market recovery and premiumisation</li> </ul>

*Note: This is not an exhaustive list. Others segments comprise industries such as capital goods and consumer durables, among others*

*Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)*

### Infrastructure to drive steel demand

The infrastructure sector is poised to be a significant driver of domestic steel demand; it currently accounts for approximately 30% of the demand. Over the next five years, this sector is expected to log a CAGR of around 11%.

Key drivers of infrastructure growth:

Some initiatives that are expected to fuel the growth of the infrastructure sector:

- Substantial budgetary allocation: The government has allocated Rs 630 thousand crore for road, railway and urban development, representing a 4% on-year increase. Although the increase is marginal, the capital expenditure (capex) allocation remains significant.

- **Bharatmala Pariyojana:** This scheme aims to improve efficiency in the road sector, with Phase I targeting the development of 34,800 km, including 24,800 km of various categories of roads and 10,000 km of residual National Highways Development Project (NHDP) work. Approximately 26,425 km of work has been awarded under the Rs 5.35 lakh crore project and 18,714 km completed as of October 2024.

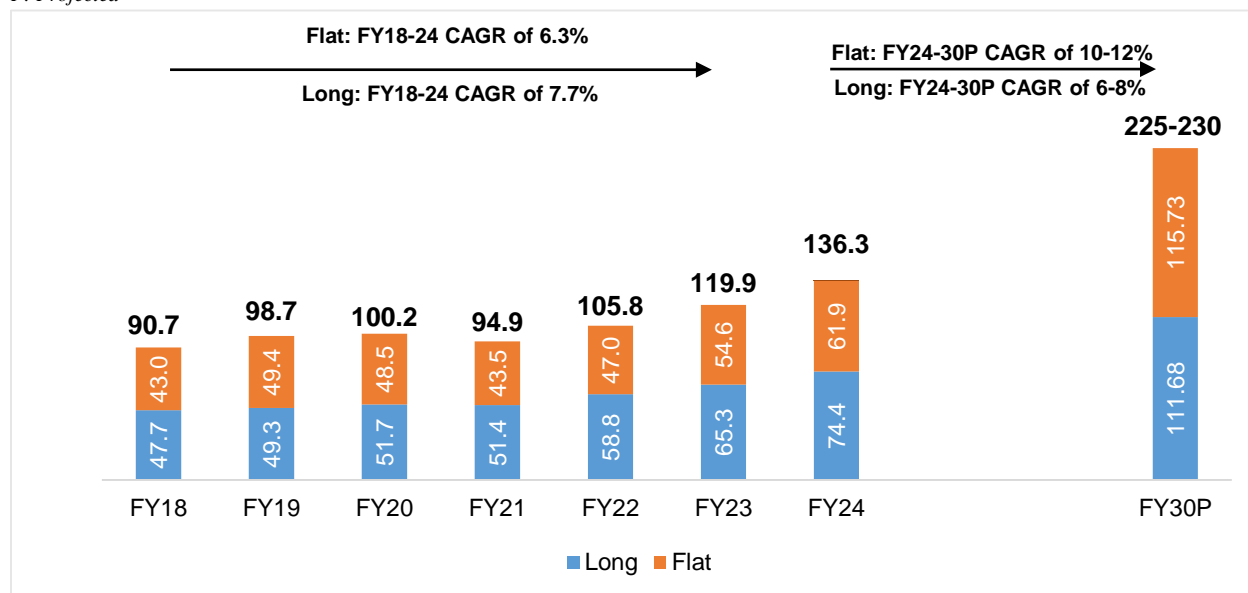
**Smart Cities project:** The proposed investment of Rs 2.05 lakh crore into the National Smart Cities Mission is expected to boost infrastructure development, driving demand for steel.

#### 4.3 Indian steel consumption by category (long vs flat products in million tonne per annum)

The Indian steel industry has witnessed a steady uptrend in demand, with consumption growing from approximately ~91 million tonnes (MT) in fiscal 2018 to around 136 MT in fiscal 2024. This translates to a compound annual growth rate (CAGR) of 7% over the four-year period. The key drivers of this growth are the automotive and infrastructure sectors, which are experiencing significant expansion and development. In line with this growth trajectory, the Government of India has set an ambitious target of increasing the country's steel production capacity to 300 million tonnes by 2030, as outlined in the National Steel Policy 2017. This policy initiative is expected to provide a supportive framework for the industry's continued growth, driven by increasing demand from core sectors such as construction, infrastructure, and automotive.

#### Consumption of long and flat products (MT)

P: Projected

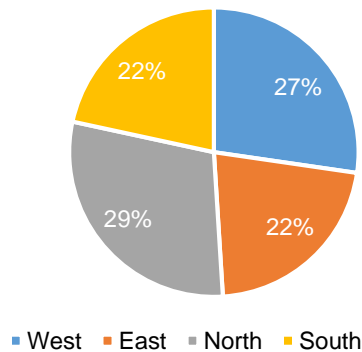


Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Demand for long steel increased at 7.7% CAGR between fiscals 2018 and 2024, led by growth in infrastructure and in the building and construction sector. Demand for flat steel rose 6.3% CAGR. This increased the share of long steel in overall demand for finished steel to ~55% in fiscal 2024 from ~53% in fiscal 2018.

The resolution of the supply chain issues in the automobile segment and an increase in demand in construction and infrastructure segments are expected to give flat steel demand a CAGR of 10-12% between fiscals 2024 and 2030. This would outpace the demand growth of long steel, which is set to clock a CAGR of 6-8% in the period owing to positive sentiments in the private housing construction sector and the government's robust push for infrastructure development.

## Indian steel consumption by region for fiscal 2024



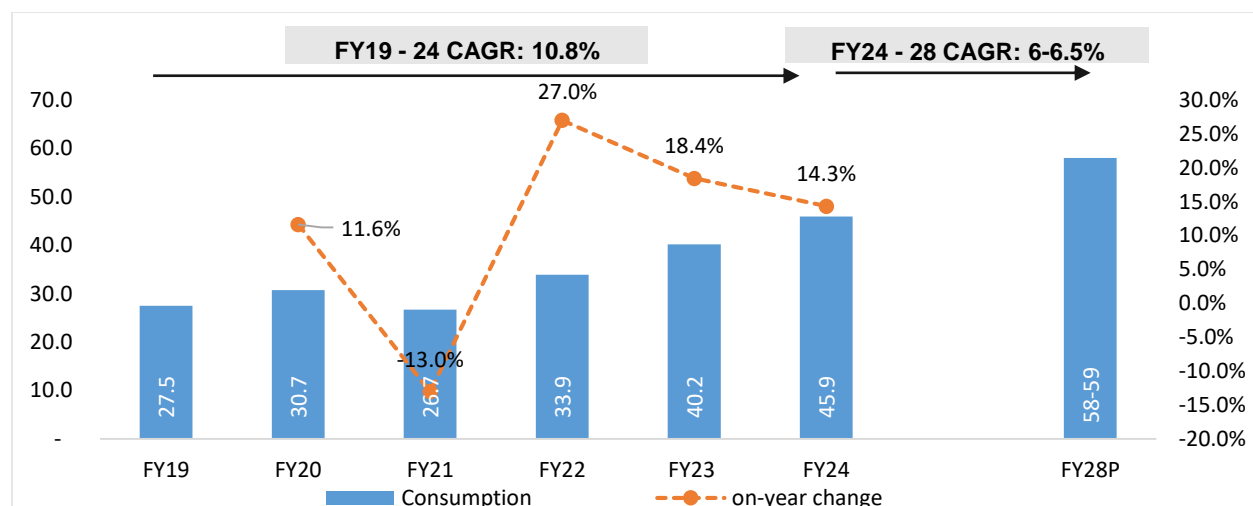
Source: JPC, Industry, Crisil Intelligence

In fiscal 2024, the west and north zones together accounted for ~57% of the overall steel demand. West zone's demand improved significantly from 22.4 MT in fiscal 2018 to 37.5 MT in fiscal 2024, logging a CAGR of 10.8%. This was led by increased infrastructure development activities, including construction of national highways, bridges, high-rises, statues, dams, metro and railway networks in the west zone states, such as Gujarat and Maharashtra. Steel demand in the east zone grew from 22.1 MT in fiscal 2018 to 29.8 MT in fiscal 2024, clocking a CAGR of 6.2%, mainly supported by government infrastructure development initiatives such as PM Gati Shakti and a high rate of housing construction in states such as Bihar and Jharkhand, owing to the mass return of laborers following pandemic-led lockdowns.

### 4.4 Domestic TMT bar demand review and outlook

Demand for TMT reinforcement bars rose from 27.5 MT in fiscal 2019 to 45.9 MT in 2024, owing to an uptick in housing and infrastructure development in the country. It is further expected to rise to 58-59 MT by fiscal 2028, on account of increasing private house construction, which is boosted by improved disposable incomes of individuals after the pandemic and increasing infrastructure budget allocation by the Centre and states.

#### Trend in TMT reinforcement bar demand growth (million metric tonne per annum)



E: Estimated

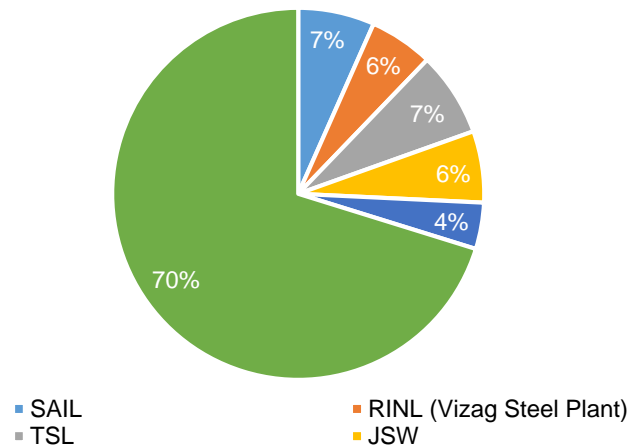
P: Projected

Source: Crisil Intelligence

Though the demand for TMT reinforcement bar logged 10.8% CAGR between fiscals 2019 and 2024, the growth is expected to see a slight moderation over the next five fiscals but maintain a healthy 6.0-6.5% CAGR.

## Player-wise market share of TMT reinforcement bars

TMT market share FY 2024 - All India demand - 45.9 MTPA

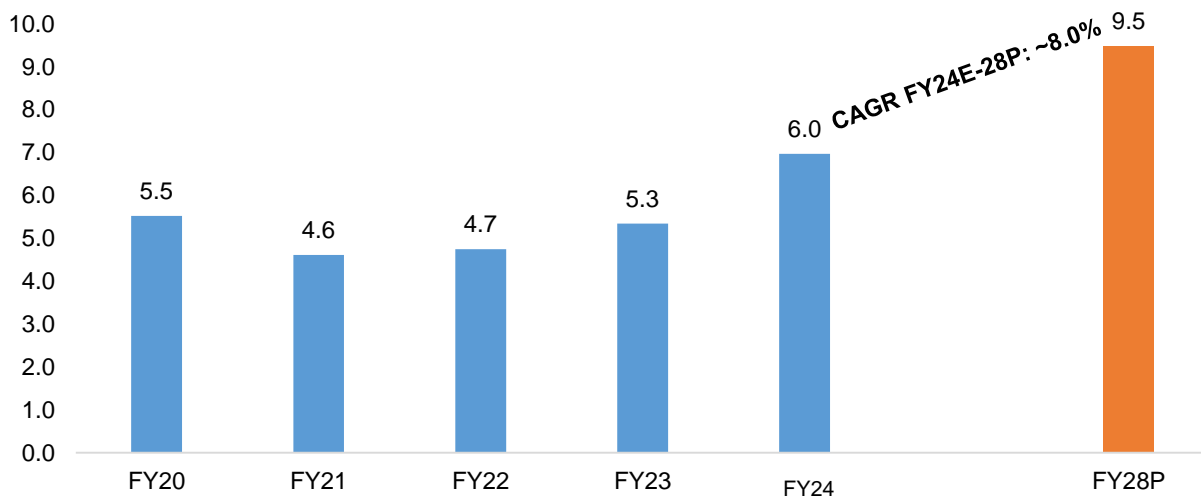


JSWL: JSW Ltd; TSL: Tata Steel Ltd; RINL: Rashtriya Ispat Nigam Ltd; SAIL: Steel Authority of India Ltd; JSPL: Jindal Steel and Power Ltd  
Source: Joint Plant Committee (JPC), Crisil Intelligence

Among the major steel players, Tata Steel (TSL) and Steel Authority of India (SAIL) are market leaders (based on production) of TMT reinforcement bars in fiscal 2024, individually accounting for ~7% of the total market share.

## 4.5. Domestic GC sheets demand review and outlook

### Demand review and outlook of galvanised corrugated (GC) sheets (in MTPA) – India



E: Estimated

P: Projected

Source: Joint Plant Committee (JPC), Crisil Intelligence

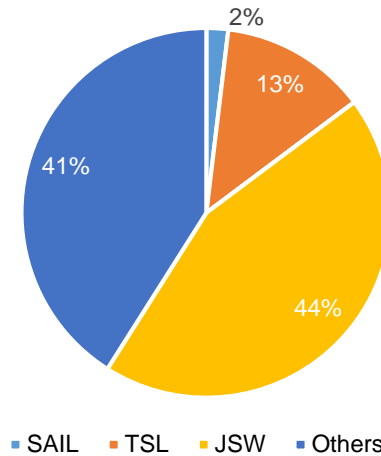
Domestic demand for GC sheets dipped more than 16% on-year in fiscal 2021, owing to pandemic-led disruptions. The demand, however, showed an improvement in the following fiscals from 4.6 MT in fiscal 2021 to 4.7 MT in 2022 and 6.0 MT in 2024, a 12% increase on-year.

Between fiscals 2024 and 2028, the demand for GC sheets is expected to plummet at a CAGR of ~8% to 9.5 MT, owing to the anticipated demand led by end use segments such as agriculture warehousing and construction.



## Player-wise market share of GC sheets based on production (All India demand)

Market share FY24 - All India demand - 6.0 MTPA

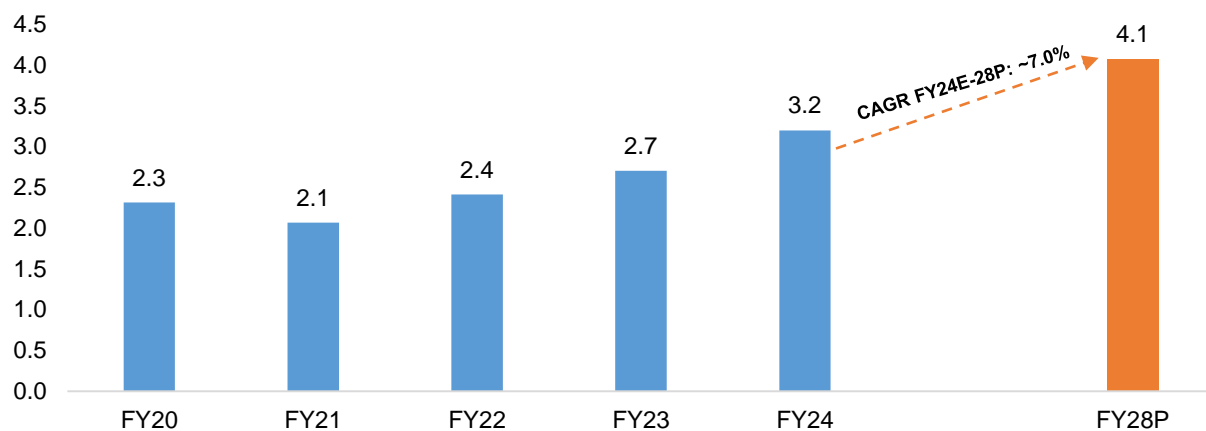


JSW: JSW Ltd; TSL: Tata Steel Ltd; SAIL: Steel Authority of India Ltd  
Source: Joint Plant Committee (JPC), Crisil Intelligence

Among major steel players, JSW was the single largest producer of GC sheets in fiscal 2024, followed by TSL.

### 4.6 Domestic coloured roofing sheets demand review and outlook

#### Demand review and outlook for coloured roofing sheets (in MTPA)



E: Estimated  
P: Projected  
Source: Joint Plant Committee (JPC), Crisil Intelligence

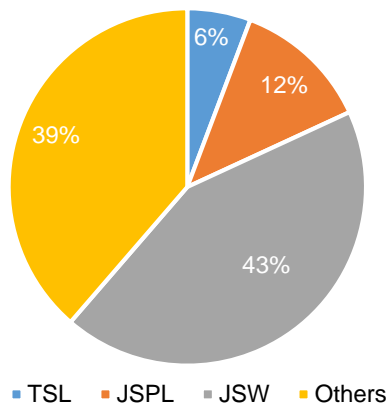
Demand for coloured roofing sheets saw an on-year dip of over 10.0% in fiscal 2021, due to the pandemic-led disruptions. However, it rebounded by over 16.0% from 2.1 million tonne in fiscal 2021 to 2.4 million tonne in fiscal 2022, because of improved sentiment, as more people started constructing houses and commercial properties led by increased disposable incomes after the pandemic. Demand increased 19.0% on year to 3.2 million tonne in fiscal 2024.

Demand for coloured roofing sheets is expected to remain stable over fiscals 2024 to 2028 as well, growing at a ~

7.0% CAGR to 4.1 million tonne in fiscal 2028, as more consumers start installing these sheets due to increased product awareness.

**Player-wise market share based on production (coloured roofing sheets – all India)**

**Market share FY24 - All India demand - 3.2 MTPA**



*JSW: JSW Limited; AM/NS: Arcelor Mittal and Nippon Steel; TSL: Tata Steel Limited  
Source: Joint Plant Committee (JPC), Crisil Intelligence*

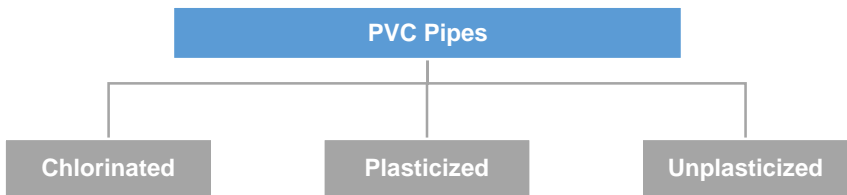
Among major steel players, JSW was the largest player in the coloured roofing sheets segment (based on production) in fiscal 2024, followed by JSPL and TSL.

**5. Indian PVC pipe industry overview**

**5.1. Domestic PVC pipes overview & outlook**

PVC (Polyvinyl Chloride) pipes are a type of plastic piping widely used in various applications in India. They are durable, corrosion-resistant, and easy to install, making them a preferred choice for plumbing, water supply, and sewage systems. In India, PVC pipes are extensively used in residential, commercial, and industrial construction projects, as well as in agricultural and infrastructure development. The growing demand for PVC pipes in India is driven by rapid urbanization, increasing infrastructure development, and government initiatives such as "Housing for All" and "Smart Cities Mission". Additionally, the need for efficient water management and sanitation systems in rural areas also contributes to the rising demand.

**Types of PVC Pipes**

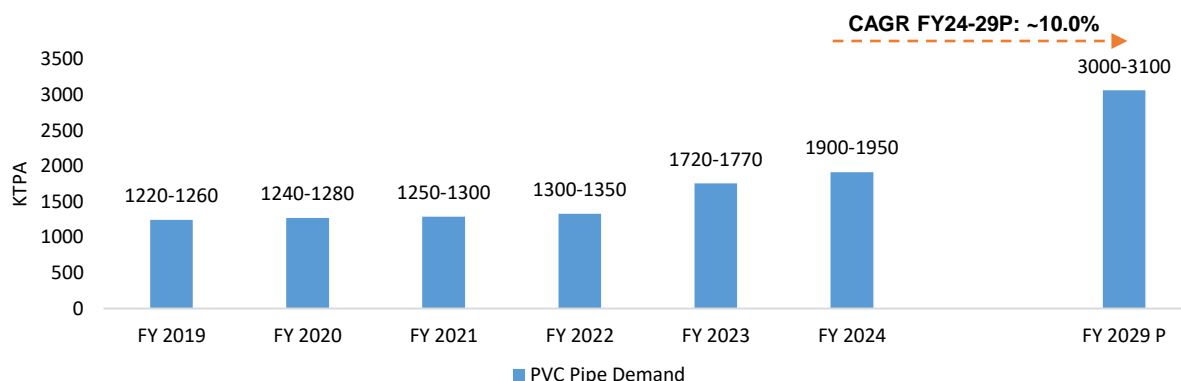


**Chlorinated PVC (CPVC)** pipes are enhanced PVC pipes treated with chlorine, making them more resistant to heat and chemicals, ideal for hot water distribution and industrial applications.

**Plasticized PVC (also known as flexible PVC)** pipes contain added plasticizers to make the material more flexible and softer. These pipes are used in applications like medical tubing, flexible hoses, and cable insulation.

**Unplasticized PVC (uPVC)** pipes, also known as rigid PVC, have no added plasticizers, making them strong, durable, and resistant to chemical corrosion. uPVC pipes are widely used in plumbing, sewage, and drainage systems due to their rigidity and long lifespan.

### PVC pipes demand in India (KTPA)



Source: Crisil Intelligence, Industry

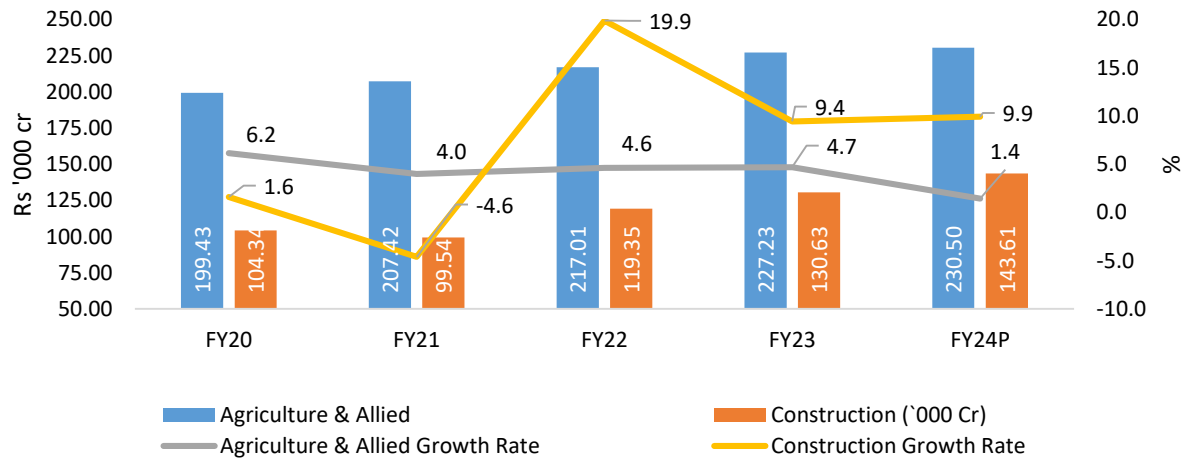
Note: P-projected

The demand for PVC pipes has been assumed to be 50% of total PVC demand based on in

The demand for PVC pipes in India is on a strong upward trajectory, reflecting robust growth in infrastructure and agricultural development. From fiscal 2024 to fiscal 2029, the demand is projected to rise significantly from ~1,900 KTPA to ~3,000 KTPA, representing a compound annual growth rate (CAGR) of 9.9%. This substantial increase signals a major expansion in the sector, driven by heightened infrastructure projects and agricultural advancements. The data highlights a sharp surge in demand between fiscal 2022 and fiscal 2023, with a rise from ~1,300 KTPA to ~1,750 KTPA, indicating a rebound from the pandemic's economic impact and an acceleration in infrastructure development. By fiscal 2029, the demand for PVC pipes is expected to be nearly 2.5 times the level observed in fiscal 2019, underscoring a positive market outlook. This growth is largely fueled by government initiatives such as the "Jal Jeevan Mission", aimed at enhancing rural water supply, as well as extensive urban and agricultural projects and "Har Ghar Jal Yojna". The resilience of the PVC pipe sector, evident even during fiscal 2020-2021 period, underscores its critical role in India's development. As investments in water management, sanitation, and construction continue, the PVC pipe industry is set to benefit from increased demand and potential advancements in technology to meet the expanding needs.

For the budget 2024-25, an allocation of ₹11,11,111 crore for capital expenditure, which is 3.4 percent of GDP, has been made. For irrigation and flood mitigation in Bihar, the government will provide financial support for projects with an estimated cost of ₹11,500 crore through the Accelerated Irrigation Benefit Programme and other sources. The strong fiscal support for infrastructure is expected to have a positive impact on the economy, particularly in terms of boosting demand. Moreover, the focus on irrigation and flood mitigation projects in Bihar is expected to have a positive impact on the agricultural sector, which is a significant contributor to PVC pipes demand. Overall, the outlook for the India PVC pipes market is positive, driven by government support, policy initiatives, and a focus on self-reliance.

## Gross value added (GVA) by agriculture & construction sectors



### Source:

National Statistical Office (NSO), Crisil Intelligence





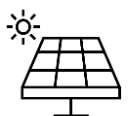

Note: P- projected

The chart shows the Gross Value Added (GVA) and growth rates for the Agriculture & Allied and Construction sectors in India from FY20 to FY24P. This growth in both sectors is likely to drive up demand for PVC pipes. In agriculture, increased investment often leads to expanded irrigation systems, where PVC pipes are extensively used. An increase in agricultural GVA could potentially translate to an increase in PVC pipe demand for irrigation purposes. In construction, PVC pipes are crucial for plumbing and drainage systems. The sector's strong recovery, with a projected 9.9% growth in FY24, could lead to a corresponding increase in PVC pipe demand for construction applications. Government initiatives like the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) for irrigation and the Housing for All scheme are likely to further boost demand. The push for micro-irrigation systems could increase PVC pipe usage in agriculture by 7-10% over the next five years. Similarly, the construction of 20 million urban houses under the Housing for All scheme could drive up PVC pipe demand in the construction sector by 20-25%. In conclusion, the positive growth trends in agriculture and construction, coupled with supportive government initiatives, indicate a strong potential for increased PVC pipe demand in India, possibly growing at a CAGR of 7-10% in the coming years.

## Application landscape

These are some applications of PVC pipes:

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	<b>Agriculture</b>	Irrigation system piping Water supply pipes
	<b>Construction</b>	Plumbing in domestic and commercial buildings Drainage system pipes Sewer system
	<b>Infrastructure</b>	Water supply network pipes Stormwater pipes Wastewater treatment pipes Fire sprinklers pipes Borewell tubing Electrical conduit for electrical cables
	<b>Industrial</b>	Chemical handling Gas distribution system Ventilation system Cooling systems
	<b>Renewable Energy</b>	Tubes for solar water heating systems Tubes for use in biogas plants
	<b>Medical</b>	Tubing for IV, catheter system and dialysis machine Tubing for respiratory equipment such as ventilators and oxygen delivery systems

## 5.2. Key players

### Product Offering

Looking at the product offerings and can see that all 5 producers have a similar product offering, which cater to the all the industries which drive demand for PVC pipes.

S.no	Offerings	Supreme	Astral	Finolex	Ashirvad	Prince
1	Agriculture & Borewell pipes					
2	Plumbing & Drainage pipes					
3	Rainwater & Stormwater pipes					
4	Industrial pipes					
5	Fire protection pipes					
6	Electrical conduit					
7	Renewable energy piping					
8	Ventilation system pipes					
9	Chemical transportation pipes					
10	Process industry piping					

Source:

Company websites, Crisil Intelligence

Note: Agriculture & borewell pipes refer to irrigation system, water supply, tube well and borewell piping Plumbing & drainage pipes refer to domestic & commercial plumbing, sewage systems and wastewater piping.

The table is a comparison of product offerings by key PVC pipe producers in India: Supreme, Astral Pipes, Finolex, Ashirvad, and Prince. Analyzing the offerings, it's clear that most companies focus heavily on core segments like Plumbing & Drainage Pipes, Rainwater & Stormwater Pipes, and Agriculture & Borewell Pipes. These segments are fundamental to the Indian market, driven by both rural and urban infrastructure needs. Astral Pipes has an extensive product portfolio that covers nearly all segments, indicating a strategy aimed at market penetration across various industries. They seem to cater not only to general construction and water management needs but also to specialized areas like Industrial Pipes and Chemical Transportation Pipes, suggesting a focus on industrial needs as well.

Renewable Energy Piping, an emerging segment, is offered by companies like Finolex and Prince. This suggests a growing recognition of the importance of this market, likely driven by the increasing emphasis on sustainable infrastructure in India. The table also reflects the competitive nature of the Indian PVC market, where most players offer similar core products but differentiate themselves through niche segments. The data indicates a well-established market where most key players offer comprehensive product ranges, especially in high-demand segments like Plumbing & Drainage and Agriculture & Borewell Pipes.

## Performance overview

Particulars	Unit	Supreme	Astral	Finolex	Prince	Ashirvad
<b>Production Volume</b>	MT	5,01,001	2,20,230	3,33,311	1,72,793	
<b>Installed Capacity</b>	MTPA	7,40,000	3,34,040	4,70,000	2,61,204*	2,00,000
<b>Utilization</b>	%	67.70	65.93	70.92	66.15	
<b>Revenue from pipes</b>	(% of total sales)		~73%	~64%		

Source: Company website, Annual reports, Crisil Intelligence

Note:

1. Supreme production & capacity is total pipe production, Astral, Finolex & Prince capacity & production is for all pipes, fitting and water tanks, Ashirvad capacity is as of FY18
2. \*Production capacity.

These five manufacturers are chosen for comparison because they are all leading players in the Indian PVC pipe industry, with a strong presence in the domestic market. They are known for their high-quality products, innovative solutions, and strong distribution networks.

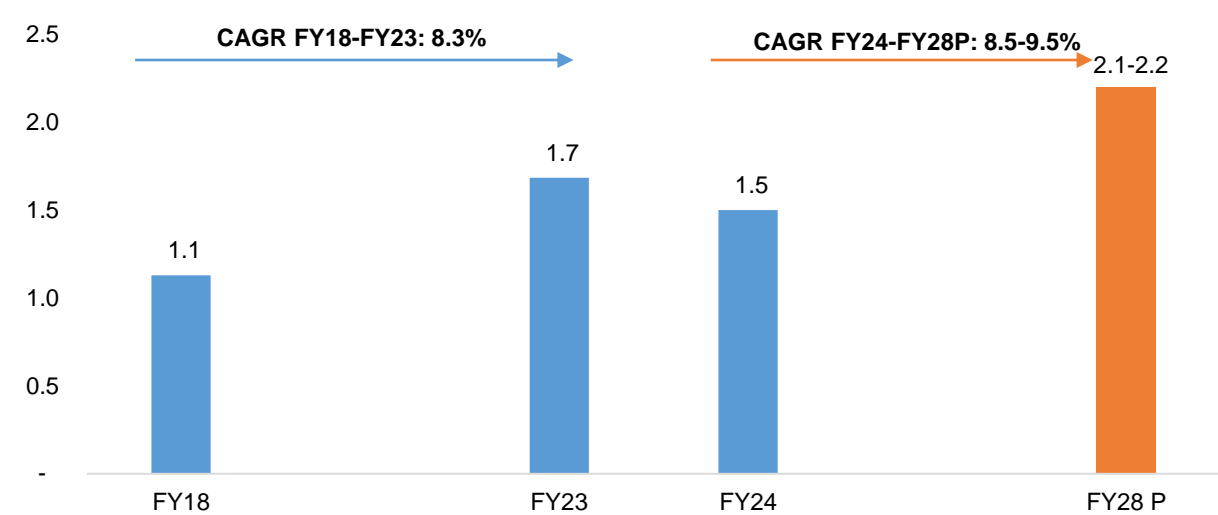
The table provides a performance overview of major PVC pipe manufacturers in India, offering insights into their production volumes, installed capacities, utilization rates, and revenue contributions from pipes. Supreme emerges as the market leader with the highest production volume 501,001 MT and installed capacity 740,000 MTPA. It also maintains a healthy utilization rate of 67.70%. Finolex follows as the second-largest producer with 333,311 MT production and 470,000 MTPA capacity, boasting the highest utilization rate at 70.92%. Astral, while having a lower production volume 220,230 MT, shows strong performance with a 65.93% utilization rate and the highest revenue contribution from pipes at ~73% of total sales. Prince and Ashirvad have comparatively lower production volumes

and capacities, but Prince maintains a competitive utilization rate of 66.15%. The varying utilization rates (65.93% to 70.92%) suggest a competitive market with room for growth. The significant revenue contributions from pipes for Astral (~73%) and Finolex (~64%) indicate their strong focus on this product segment. These figures imply a mature yet growing PVC pipe industry in India, with established leaders and emerging players.

6. Bihar steel industry

1.1 Steel products market overview

Steel demand review and outlook in Bihar (MTPA)



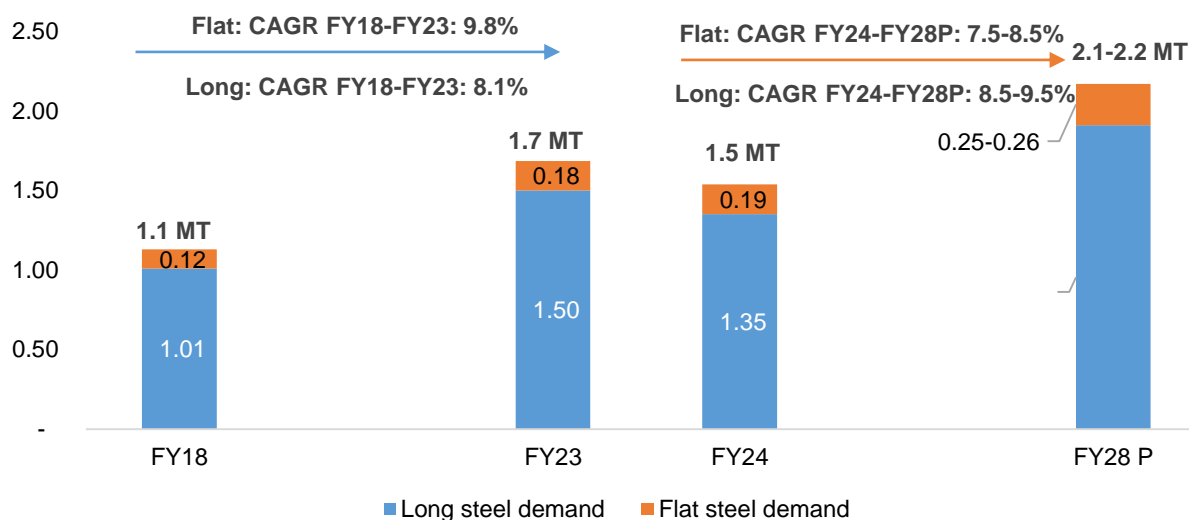
P: Projected  
Source: Joint Plant Committee (JPC), Industry, Crisil Intelligence

Steel demand in Bihar grew at a CAGR of 8.3% over fiscals 2018-23 to 1.7 million tonne because of a strong post-pandemic recovery in infrastructure and house construction sectors. In fiscal 2024, Bihar’s steel demand stood at 1.5 million tonnes, an on-year decline in growth of 8.6%, because of poor sales of steel products and a decline in overall construction activity due to extreme weather conditions.

Demand is expected to grow at a steady CAGR of 8.5-9.5% to 2.1-2.2 million tonne per annum over fiscals 2024-28, driven by increased focus on infrastructure development in the state in view of the Central government’s schemes, such as PM Gati Shakti for eastern regions and Pradhan Mantri Gram Sadak Yojana.

Steel consumption in Bihar, by product (long vs flat) – MTPA





P: Projected

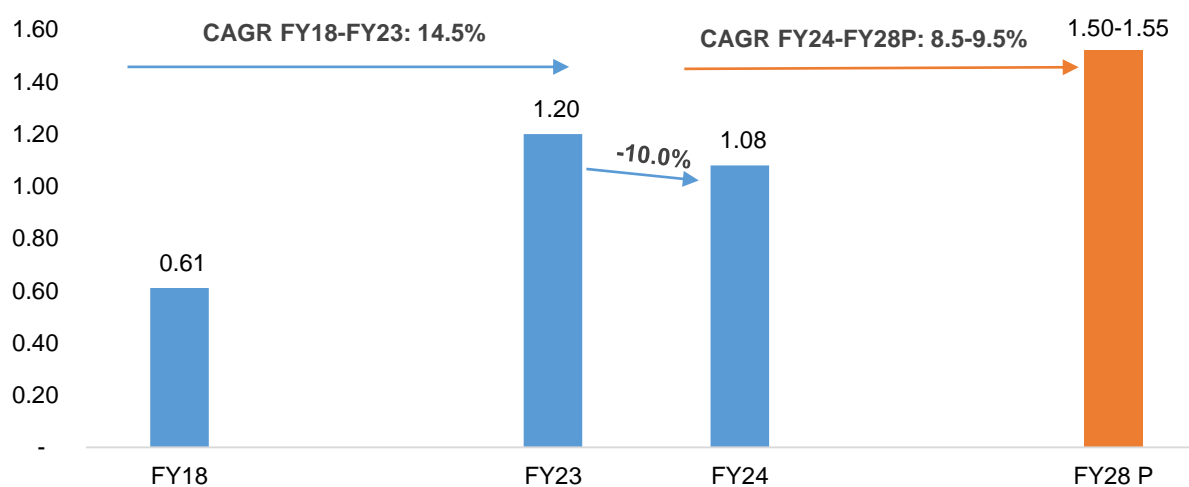
Source: JPC, Industry, Crisil Intelligence

Long steel accounted for over ~90% of the overall steel demand in Bihar over fiscals 2018-23, and the trend is expected to continue over the next five years. Demand for long steel increased at a CAGR of 8.1% to 1.50 MTPA in fiscal 2023 from 1.01 MTPA in fiscal 2018, driven by the government's push to develop infrastructure in the state. Demand for flat steel rose at a strong CAGR of 9.8% to 0.18 MT in fiscal 2023 from 0.12 MT in fiscal 2018.

While demand for long steel is expected to expand at a CAGR of 8.5-9.5% to 1.87-1.94 MTPA in fiscal 2028, that for flat steel is expected to log a moderate CAGR of 7.5-8.5% to 0.25-0.26 MT in fiscal 2028. The government's schemes such as PM Gati Shakti for the eastern regions, Pradhan Mantri Gram Sadak Yojana and Bharatmala and an improving sentiment in the house construction segment, led by an increase in disposable income, are expected to drive robust demand growth in the long-steel segment over the next five years.

## 1.2 Assessment of the TMT reinforcement bars industry

### Demand for TMT reinforcement bars in Bihar – review and outlook (MTPA)



E: Estimated

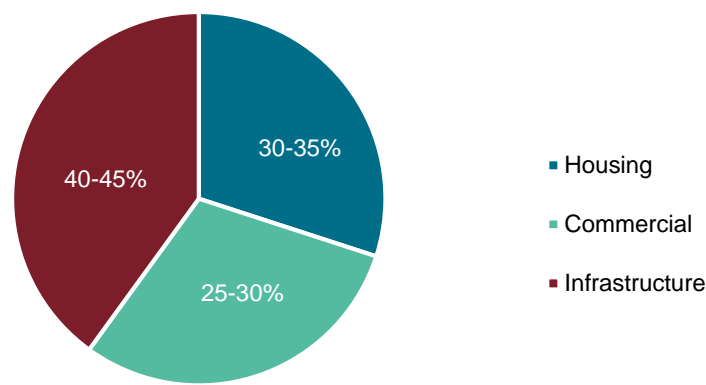
P: Projected

Source: Industry, Crisil Intelligence

The TMT reinforcement bars industry in Bihar expanded at a robust CAGR of 14.5% over fiscals 2018-23 to 1.20 MT. The growth was driven by infrastructure development and increased building construction activities, led by the return of natives to Bihar after the announcement of lockdowns. However, demand for TMT reinforcement bars declined to 1.08 MT in fiscal 2024, due to a decline in construction activity this fiscal and low sales for the product.

Demand for TMT reinforcement bars is expected to increase at a CAGR of 8.5-9.5% over fiscals 2024-28. The expected improvement in infrastructure development in light of various government schemes, such as PM Gati Shakti for easter regions, Pradhan Mantri Gram Sadak Yojana, and Bharatmala, is likely to be the major driver of growth in the segment.

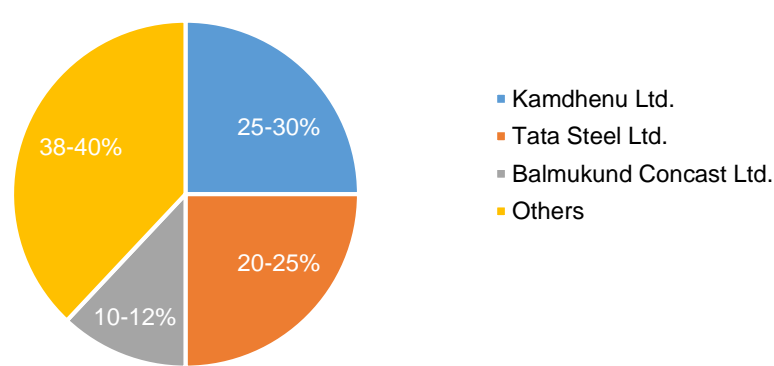
**Demand for TMT reinforcement bars in Bihar, by end-use (Fiscal 2024)**



Source: Industry, Crisil Intelligence

In fiscal 2024, government-led infrastructure development projects accounted for 40-45% of total demand for TMT reinforcement bars in Bihar. The house construction and commercial property construction segments together constituted 55-65%.

**Player-wise market share (TMT reinforcement bars – Bihar Fiscal 2024)**

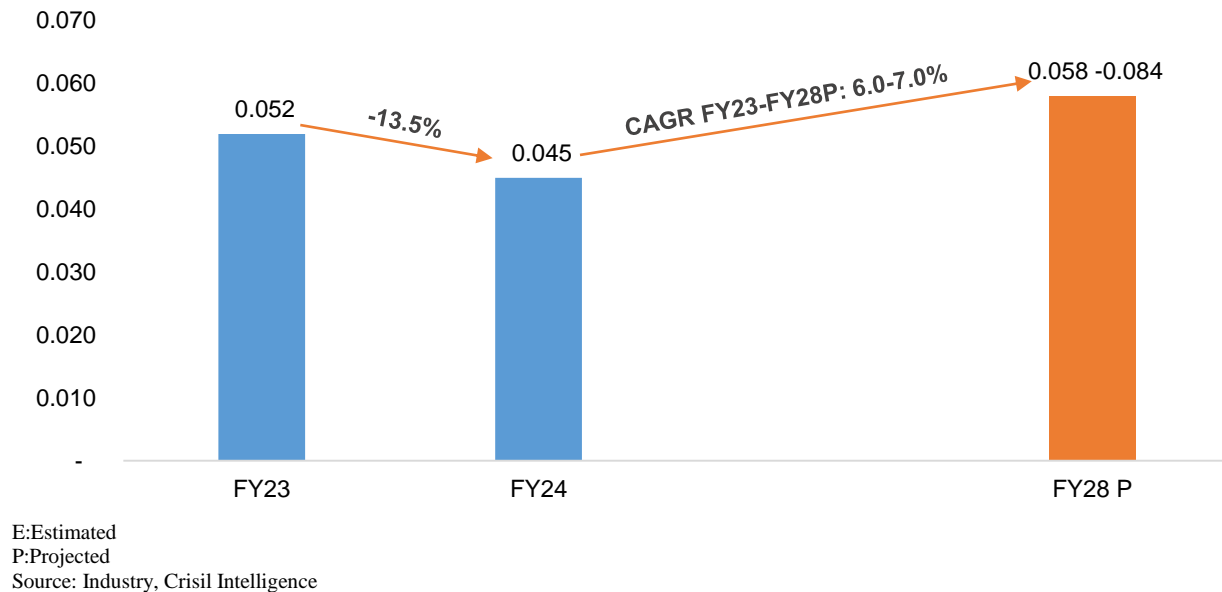


Note: ‘Others’ includes JSW Ltd, Steel Authority of India Ltd, Shyam Metalics and other regional players like Magadh, Mahaveer etc.  
Source: Industry, Crisil Intelligence

In fiscal 2024, Kamdhenu led the TMT reinforcement bar market in Bihar with over 30% share, followed closely by Tata Steel (20-25%).

### 1.3 Assessment of the GC sheets industry

#### GC sheets demand in Bihar – review and outlook (MTPA)

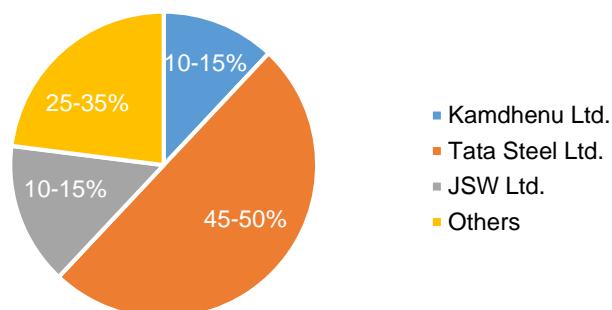


The GC sheets industry in Bihar expanded at a CAGR of 10.8% over fiscals 2018-23 to 0.052 MT, driven by increased building construction activities, led by the return of the native people to Bihar after the announcement of lockdowns. Further, government-run subsidy programmes, such as Gramin Bhandaran Yojana and NABARD Warehouse, which encouraged the construction of warehouses for keeping agricultural produce supported the demand growth of GC sheets in Bihar over the past 3-4 years.

In fiscal 2024, demand for GC sheets declined by 13.5% to ~0.045 MT, due to low sales and a shift in customer's preference from GC sheets to colour-roofing sheets for house-roofing purposes.

The government's continued focus on developing agricultural warehouses in Bihar and an improved sentiment in the construction sector are expected to lead to a CAGR of 6.0-7.0% in GC sheets demand over the next five years, to reach somewhere between 0.058-0.084 MT by fiscal 2028.

#### Player-wise market share (GC sheets – Bihar FY23/24)



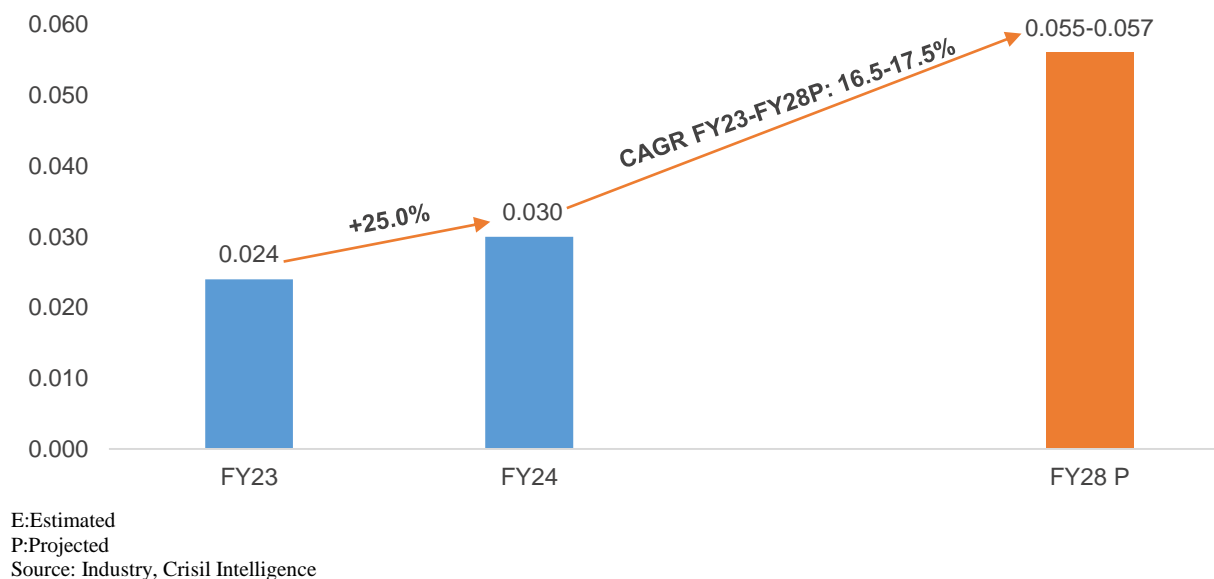
Note: 'Others' includes established players such as Steel Authority of India Ltd and Kamdhenu Ltd, and local players such as Surya Steel and Aarti Steels

Source: Industry, Crisil Intelligence

In fiscal 2024, Tata Steel Ltd was the single-largest seller of GC sheets in Bihar, with a market share of 45-50%, followed by JSW Ltd and Kamdhenu Ltd, with an individual share of ~10-15%.

#### 6.4 Assessment of the coloured-roofing sheets industry

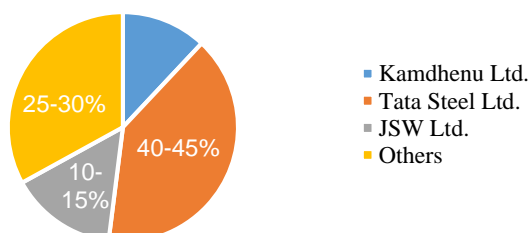
##### Coloured-roofing sheets demand in Bihar – review and outlook (MTPA)



The coloured-roofing sheets industry in Bihar expanded at a CAGR of 14-15% over fiscals 2018-23 to 0.024 MT, driven by growing consumer preference to install coloured roofing sheets at homes and warehouses. The extra layer of colour in these sheets adds to looks and aesthetics. Moreover, it contributes to better protection and corrosion resistance, making it a preferred choice over GC sheets. Further, an uptick in building construction in Bihar, caused by a mass exodus of people to their hometowns in Bihar from other states after the announcement of lockdowns also contributed to growth in demand for coloured roofing sheets during the period. Demand for coloured roofing sheets stood ~0.030 MT for fiscal 2024, an on-year increase in growth by 25.0%.

Coloured roofing sheets are expected to continue to log a healthy CAGR of 16.5-17.5% over fiscals 2024-28. An expected increase in the number of warehouses in Bihar over the next few fiscals will also contribute to demand growth of coloured roofing sheets in the state.

##### Player-wise market share (coloured roofing sheets – Bihar Fiscal 2024)

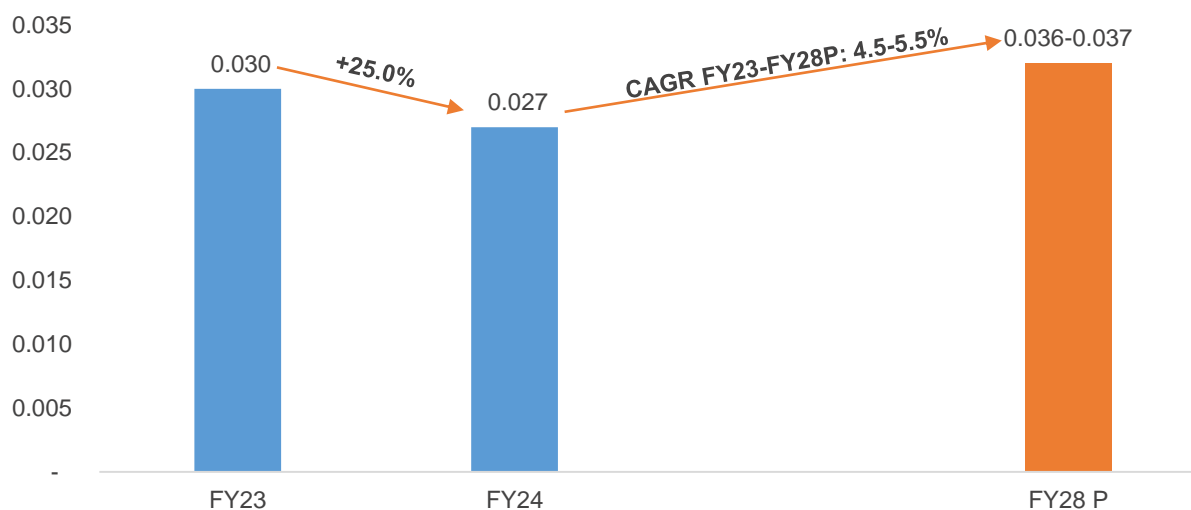


Note: 'Others' includes established players such as Steel Authority of India Ltd, and local players such as Surya Steel and Aarti Steels  
Source: Industry, Crisil Intelligence

In fiscal 2024, Tata Steel Ltd was the single-largest seller of coloured roofing sheets in Bihar, with a market share of 40-45%, followed by JSW Ltd (10-15%) and Kamdhenu Ltd (10-15%).

## 6.5 Assessment of galvanised plain sheets industry

### GP sheets demand review and outlook in Bihar (MTPA)



E: Estimated

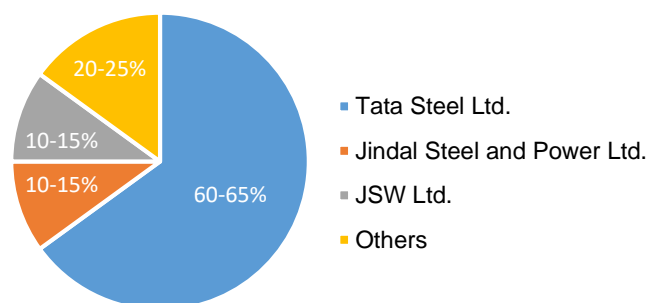
P: Projected

Source: Industry, Crisil Intelligence

The galvanised plain (GP) sheets industry stood at 0.030 MT in fiscal 2023. Demand for GP sheets in Bihar declined by 10% in fiscal 2024 and stood at 0.030MT as the overall market for steel products was down and the production of storage tanks and cans used for beverages declined due to change in consumer preferences.

GP sheets are expected to grow at a CAGR of 4.5-5.5% over fiscals 2024-2028 to reach ~0.036-0.037 MT, driven by improved sentiment of construction, agricultural equipment and automobile sector in Bihar.

### Player-wise market share (GP sheets – Bihar Fiscal 2024)



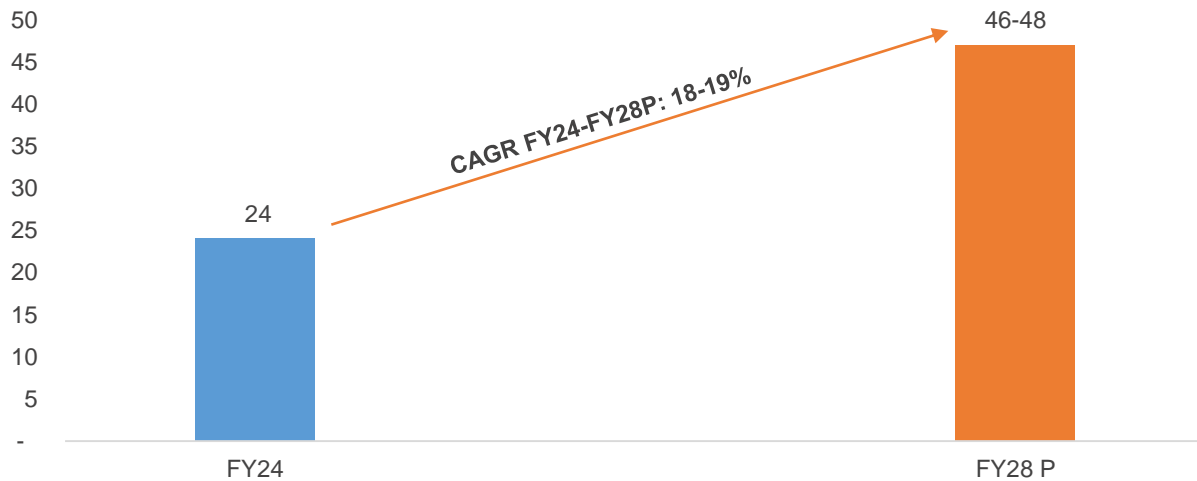
Note: 'Others' includes established players, such as Steel Authority of India Ltd, and local players, such as Surya Steel and Aarti Steels

Source: Industry, Crisil Intelligence

In fiscal 2022, Tata Steel Ltd was the single-largest seller of GP sheets in Bihar, with a market share of 60-65%, followed by JSW Ltd (10-15%) and JSPL (10-15%).

## 6.6 Assessment of prefabricated engineered buildings (PEB) industry

### PEB demand outlook in Bihar (000's)



E: Estimated

P: Projected

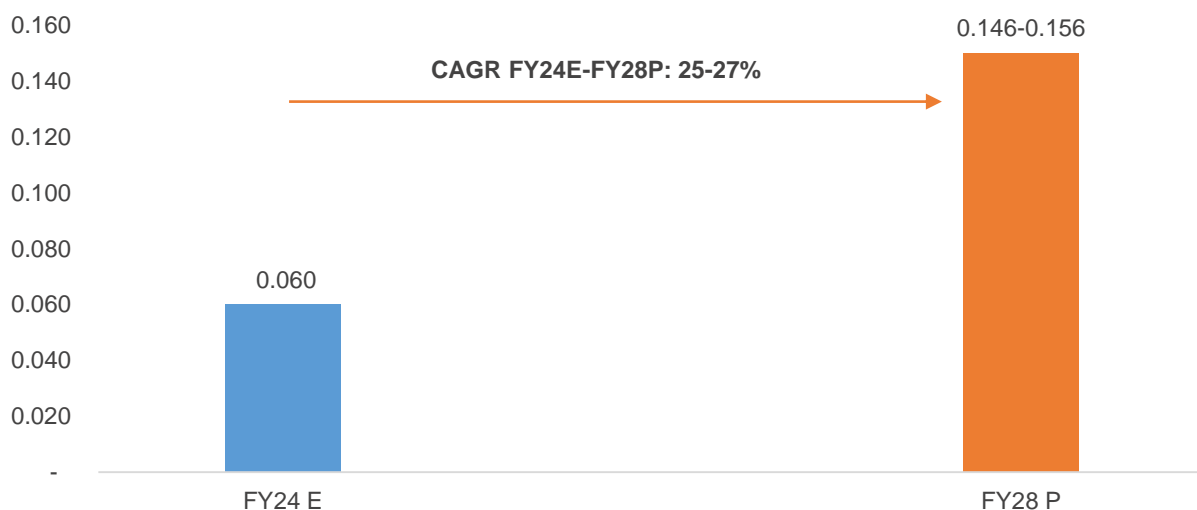
Source: Industry, Crisil Intelligence

Demand for prefabricated engineered buildings in Bihar stood at 24 thousand units for fiscal 2024. This demand is expected to grow significantly at a CAGR of 18-19% to 46-48 thousand units in fiscal 2028, driven by an increase in demand for warehousing facilities and factory sheds in Bihar.

Farm produce is sold throughout the country and throughout the year. Warehousing facilities protect the crop from environmental and pest-related damage, thus acting as a catalyst for demand for prefabricated shed, currently being met from other states such as Punjab, Uttar Pradesh and Gujarat.

## 6.7 Assessment of the steel girders industry

### Steel girders demand outlook in Bihar (MTPA)



E: Estimated

P: Projected

Source: Industry, Crisil Intelligence

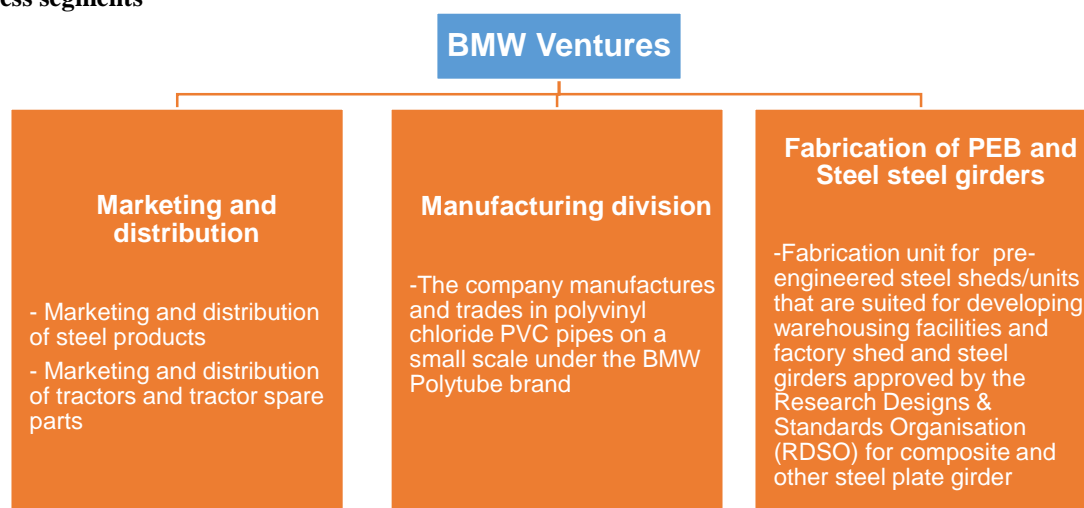
Demand for the steel girders industry is estimated at 0.060 MT in fiscal 2024 and is projected to increase at a CAGR of ~25-27% over fiscals 2024-2028 to ~0.146-0.156 MT in fiscal 2028.

The projected demand for 2028 is majorly driven by overall construction and infrastructure development in Eastern India, especially in Bihar due to higher spending on the projects in railways, including the construction of new railway bridges, overpasses, and other structures.

## 7. Company profile: BMW Ventures Ltd

Incorporated as a public limited company in Bihar, BMW Ventures Ltd obtained the certificate of commencement of business on October 19, 1994. It is promoted by Bijay Kumar Kishorepuria, Nitin Kishorepuria, Sabita Devi Kishorepuria and Rachna Kishorepuria.

### Business segments



Source: Industry, BMW Ventures

### 7.1.1 Business segments

#### 1. Marketing and distribution

**Steel products:** The company is the authorized distributor of long and flat steel products in over 29 districts (of 38 districts) in Bihar. It has established a strong marketing and sales network of over 1,250+ dealers (both exclusive and non-exclusive) in the state over the years. Steel products in the company's portfolio include TMT reinforced bars, GC sheets, hot-rolled (HR) sheets, cold-rolled (CR) sheets, galvanised plain (GP) sheets, steel wires, steel hollow pipes, farm tools and equipment, and steel doors and windows. Its primary supplier is one of the leading steel and allied products manufacturers globally.

The company has also set up a processing unit at its stockyard, where stirrups, GP and HR sheets are cut to custom lengths and distributed to the dealers.

Note: The processing unit has been set up in line with the requirements of the company's principal supplier.

**Tractor Engines:** The company procures tractor engines from John Deere India Pvt Ltd and markets, distributes and sells in Bihar.

#### 2. Manufacturing of PVC pipes

The company manufactures and trades in PVC pipes on a small scale under the BMW Polytube brand.



### 3. Fabrication Business

BMW Ventures' fabrication division specializes in the fabrication of Pre-Engineered Buildings (PEBs) and Steel Bridge Girders, both of which play a crucial role in the construction industry. This division operates from our Purnea unit, which spans a total area of 5,44,600 sq. ft., with 1,76,560 sq. ft. dedicated to fabrication activities.

Of this, 88,280 sq. ft. has received approval from the Research Designs and Standards Organization (RDSO) for the fabrication of composite and other steel structures, including steel girders.

**Pre-Engineered Buildings (PEB):** In response to the surging demand for warehousing infrastructure in Bihar, the company ventured into offering comprehensive turnkey solutions and delving into the manufacturing of Pre-Engineered Steel buildings. The company's manufacturing initiative is centered on producing pre-engineered steel sheds and units tailored specifically for warehousing facilities and factory sheds. The trial phase began in November 2022, and commercial production officially commenced in April 2023. The company's PEB unit in Purnea has a fabrication capacity of 12,000 MT per annum, enabling us to meet the increasing market demand efficiently.

The primary raw materials utilized in this manufacturing process include HR Plates, GI Coils, and Colour Coating Coils. The focus on Bihar stems from the fact that the prevailing demand for Prefabricated Sheds/Units in the state is predominantly met by suppliers from other states, notably Punjab, Uttar Pradesh, and Gujarat.

Bihar, as the second most populous state in India, represents a significant market for such initiatives. With over 80.00% of the state's populace engaged in agricultural activities, there exists considerable potential for the development of high-quality and secure warehousing facilities. Given Bihar's pivotal role as a major producer of fruits and vegetables distributed nationwide, the imperative for warehousing facilities to safeguard crops from environmental and pest-related risks is pronounced. This dynamic significantly propels the escalating demand for Prefabricated Sheds in the region.

Moreover, beyond merely providing storage for agricultural produce, BMW Ventures' warehousing facility addresses the broader requisites of industrial output. It encompasses essential services such as sorting, packaging, order processing, and distribution, aligning seamlessly with the multifaceted needs of both the agricultural and industrial sectors in Bihar.

**Steel Girders:** The steel girder business encompasses the process of manufacturing, supplying, and occasionally installing steel girders, an integral structural element utilized in construction to bear loads, such as supporting beams in a bridge or framing in a building. Steel girders serve as essential horizontal supports, providing pivotal strength and stability to diverse structures. Capitalizing on the robust growth in construction and infrastructure development, particularly in Eastern India and specifically in Bihar, the company has established a dedicated Steel Girder unit in Purnea. the Steel Girder fabrication unit at Purnea, Bihar, has a fabrication capacity of 12,000 MT per annum.

Recognizing the surge in expansion projects within the railway sector, encompassing the construction of new railway bridges, overpasses, and various structures, BMW Ventures' unit has obtained approval from the Research Designs and Standards Organization (RDSO). This approval positions us as the sole and inaugural vendor authorized by the Indian Railways in Bihar, underscoring our commitment to quality and compliance. The principal raw material for our steel girder manufacturing process is HR Plate, emphasizing our dedication to utilizing high-quality materials in the production process. This positioning aligns with our objective to contribute effectively to the construction landscape and infrastructure growth in Bihar and the broader Eastern India region.

#### 7.1.2 Infrastructure details\*

The company's storage facilities are detailed below:

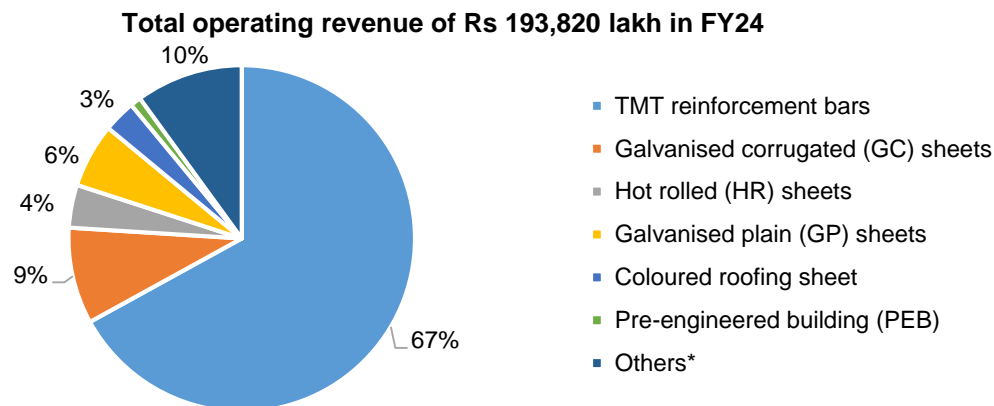
Address	Area (sq ft)	Details (leased/owned/rented/licensed)
Mauza Rajiganj, Pragna Haveli, Thana Sadar no-67, near Matia Chowk, opposite Tata Motors Ranipatra, Purnia, Bihar - 854337	5,44,600	Taken on a lease basis from Jagdamba Value Steel Pvt Ltd

Address	Area (sq ft)	Details (leased/owned/rented/licensed)
Old Stockyard, N.H. 30, P.O. Baikatpur, p.s. Khusrupur, Fatuha, Patna, Bihar - 803202	1,47,936	Owned by the promoter and director, Bijay Kumar Kishorepuria, it has been granted on a lease basis
New Stockyard, 200 metre ahead of BP petrol pump, N.H. 30, P.O. Baikatpur, P.S. Khusrupur, Patna, Bihar – 803202	2,14,853	Owned by the promoter and director, Bijay Kumar Kishorepuria, Nitin Kishorepuria, Sabita Devi Kishorepuria, Rachna Kishorepuria and has been granted on a lease basis
8/1, Industrial Estate Road, Patliputra Patna, Patna, Bihar - 800013	16,485	Taken on a lease basis from Bihar Industrial Area Development Authority, Patna
9c, Patliputra Industrial Area Patna, Bihar - 800013	6,750	Taken on a lease basis from Bihar Industrial Area Development Authority, Patna
9c (part), Patliputra Industrial Area Patna, Bihar - 800013	8,250	Taken on a lease basis from Bihar Industrial Area Development Authority, Patna
Old NH 30, Mosimpur, Near Batuk Petrol Pump, PO, Khushrupur, Dist - Patna, 803203	2,29,980	Taken on a lease basis from Jai Basukinath Traders Pvt Ltd
Plot No-2337, Khata No-258, Thana No-65, Mauza-Ahiyapur Lakhna, Tehsil & Block Punpun District-Patna Pin-804453	4,000	Taken on a lease basis from M/s Mauriya Construction

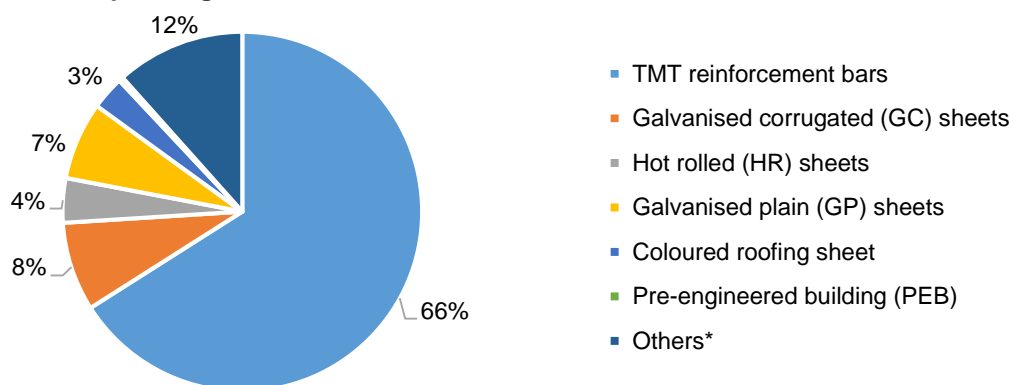
Source: BMW Ventures

### 7.1.3 Business verticals

#### Product segment-wise operating revenue



### Total operating revenue of Rs 147,718 lakh in FY25 till December'24



\*Others includes: 1. Structura - Rectangular, Square and Circular Steel Hollow Sections. 2. Wire - Galvanized wires. 3. CR Sheet - Cold rolled Sheets & Coil. 4. Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers. 5. Door - Residential & Commercial doors and windows, 6. Distribution of Engine & Spare parts, 7. PVC Pipes. 8.Steel Girders. 9. GP Sheet Blue Diamond. 10 Other Operating Income

Source: BMW Ventures, Crisil Intelligence

TMT reinforcement bars is the company's largest product segment, accounting for 66% (~Rs 97,400 lakh) of revenues in fiscal 2025 till December, followed by GC sheets (8%; Rs 12,334 lakh).

Based on the revenue split between the product segments, the key focus products are:

Product	FY24 annual sales (tonne)	FY25 (till Dec'24) sales (tonne)
TMT reinforcement bars	206,100	154,256
GC sheets	19,556	14,076
HR sheets	15,215	11,811
Coloured roofing sheets	4,966	3,419
GP sheets	14,771	14,199

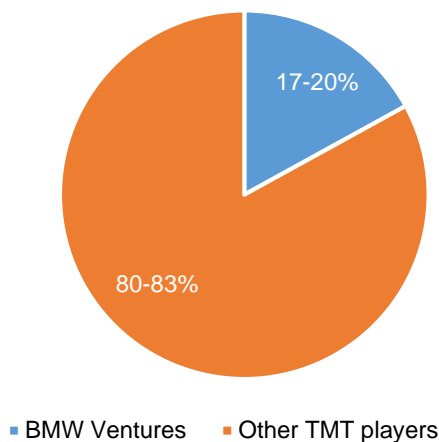
Source: BMW Ventures

### 7.1.4 Operational performance review

#### Focused product 1: TMT reinforcement bars

#### Market segregation

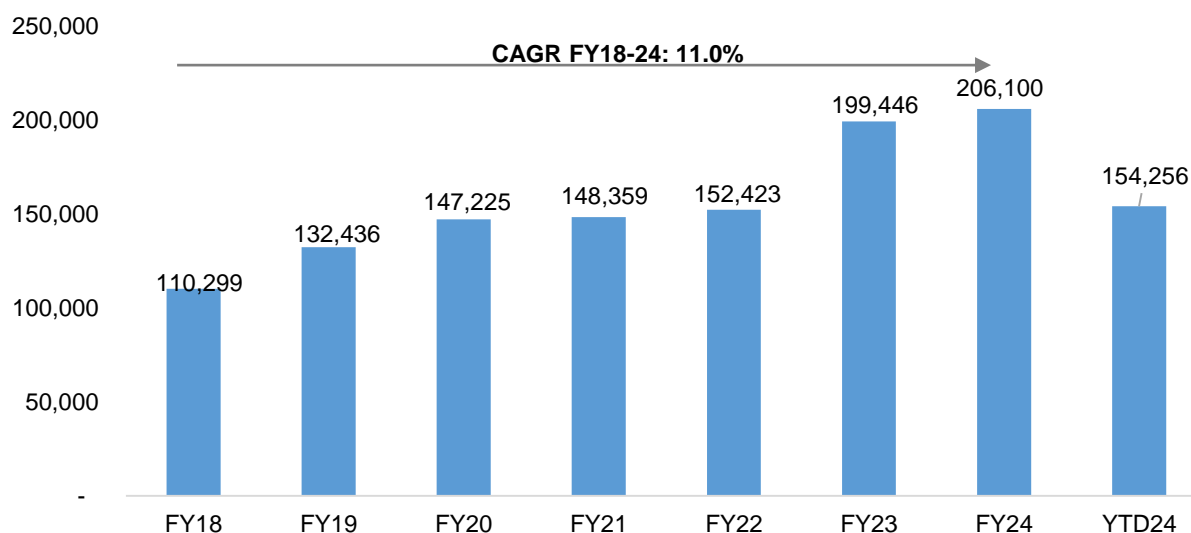
TMT reinforcement bar retail market segregation in Bihar in FY24: 1.08 MTPA



Source: Industry, Crisil Intelligence

Of the ~1.08-million tonne per annum (MTPA) TMT reinforcement bar market in Bihar as of fiscal 2024, BMW Ventures accounted for ~19% (~0.21 MTPA) of the TMT market in Bihar. The remaining ~81% (~0.87 MTPA) is occupied by distributors of other brands such as Kamdhenu, Balmukund, Captain, etc.

#### TMT reinforcement bar sales volume (tonne)

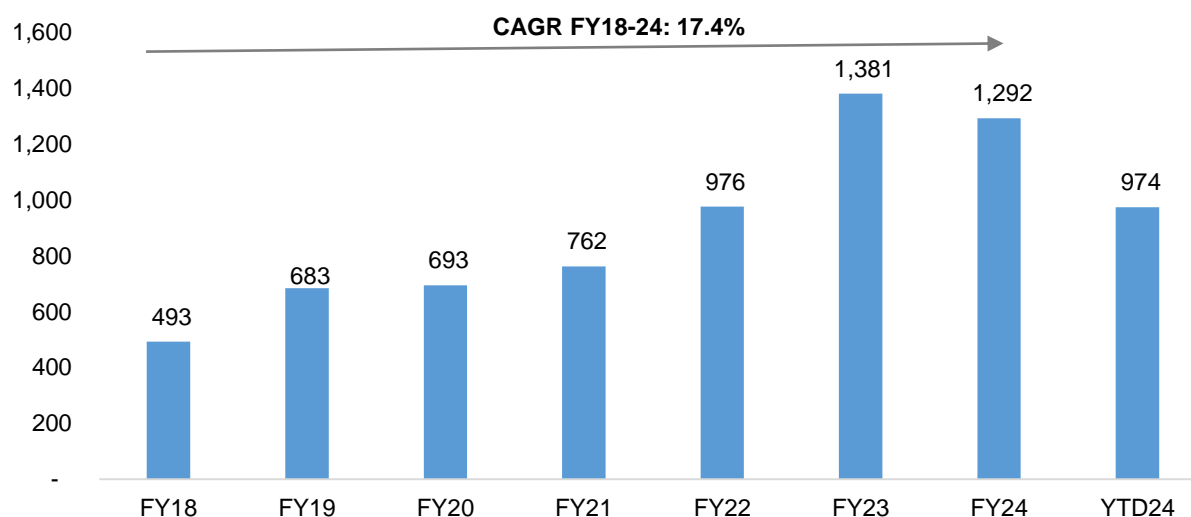


YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

TMT bars sales volume increased from 110,299 tonne in fiscal 2018 to 206,100 tonne in fiscal 2024, at CAGR of 11.0%. During this period, the overall sales volume has consistently trended up. The growth in sales volumes over the fiscals was led by increased infrastructure development under various government schemes for constructing national highways and railway networks in a bid to increase economic activity in the country. As of December, sales volume for the current fiscal totalled 154,256 tonne.

#### TMT reinforcement bars sales value (Rs crore)



YTD: Fiscal 2025 till December'24

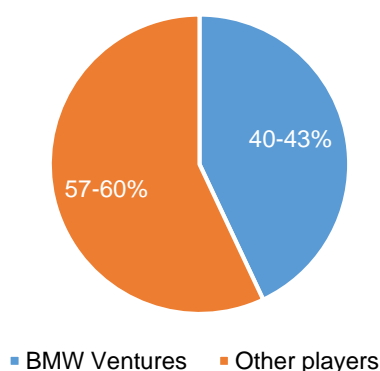
Source: BMW Ventures, Crisil Intelligence

While sales volume increased ~11.0% during the period, value increased at a CAGR of over 17.4% owing to fluctuating prices of steel in the international and domestic markets. The net annual sales for the fiscal 2024 amounted to Rs 1,292 crore. As of December, net annual sales for the current fiscal amounted to Rs 974 crore.

## Focused product 2: GC sheets

### Market segregation

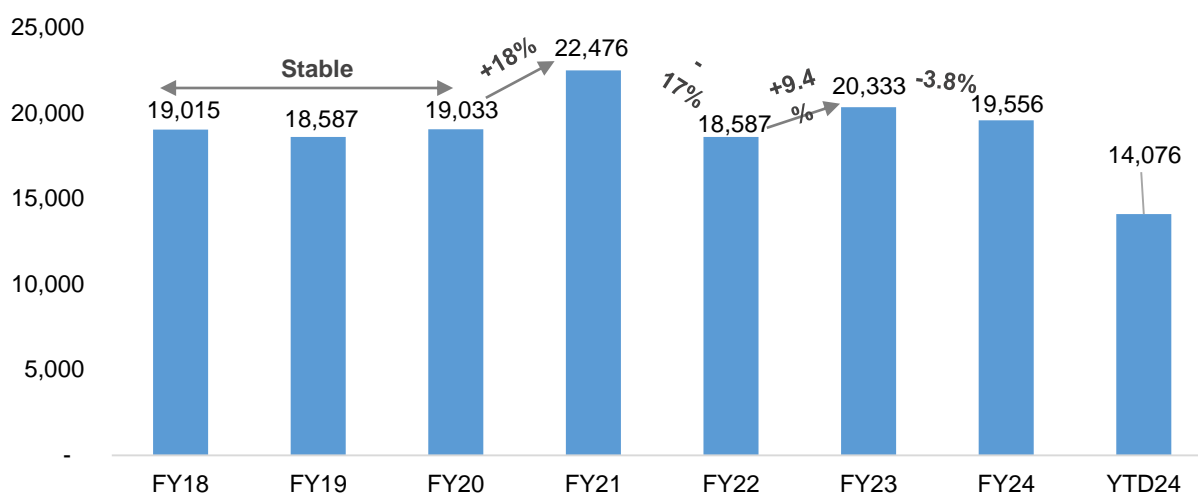
GC sheet market segregation in Bihar in FY24: ~0.045 MTPA



Source: Industry, Crisil Intelligence

Of the 0.045-MTPA GC sheets market in Bihar as of fiscal 2024, BMW Ventures accounts for ~40-43% (~0.020 MTPA). The remaining 57-60% (~0.025 MTPA) is occupied by others brand distributors like such as Kamdhenu, 5Star, Aarti Bhushan (Nepal), and Jindal India (primary brand competitor).

### GC sheet sales volume (tonne)

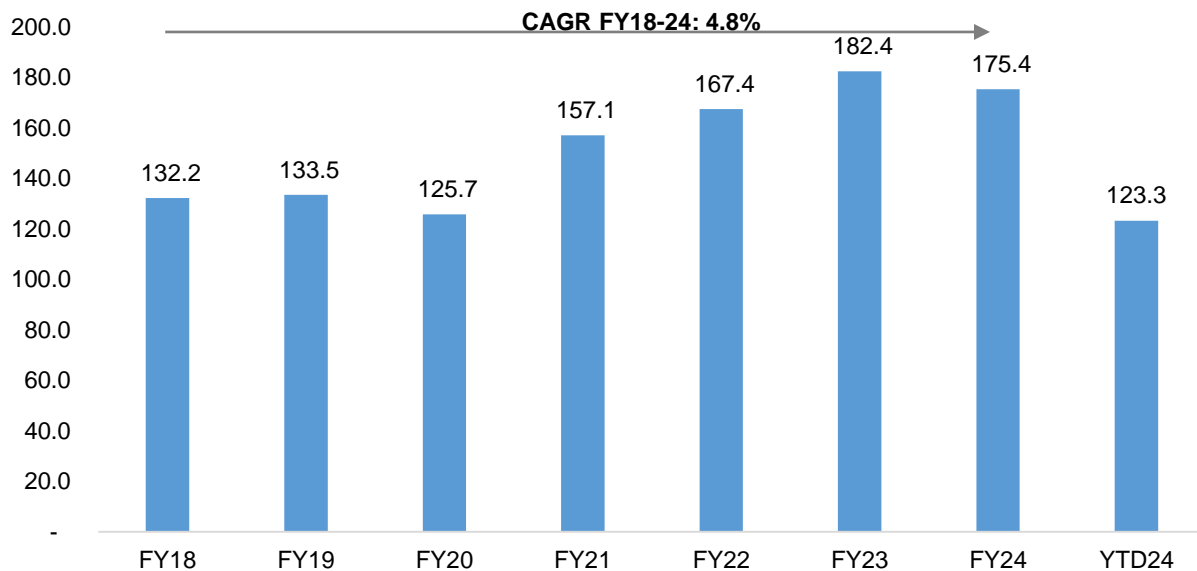


YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

BMW Ventures' GC sheet sales volume remained constant through fiscals 2018-2020. In fiscal 2021, however, sales volume improved by over 18% on-year owing to increase in house construction activities after people returned to their native places as a result of the lockdowns. In fiscal 2022, sales volume touched the pre-pandemic levels again after suffering an on-year dip of 17.3%. However, in fiscal 2023, sales increased 9.4% on-year to 20,333 tonne. In fiscal 2024, sales volume was 19,556 tonnes. As of December, sales volume for the current fiscal totalled 14,076 tonne.

### GC sheet sales value (Rs crore)



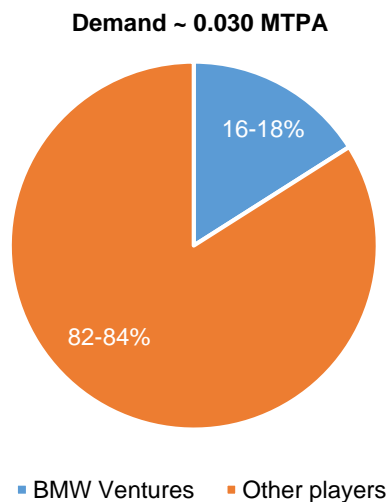
YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

The GC sheets segment's revenue increased at a CAGR of 4.8% between fiscals 2018 and 2024. Fiscal 2020 saw an on-year fall of over 6% even though sales volume increased slightly, owing to a sudden dip in the domestic steel prices in fiscals 2019-2020. In fiscal 2024, the revenues from sales of GC Sheets totalled Rs 175.4 crore. As of December, net annual sales for the current fiscal amounted to Rs 123.3 crores.

### Focused product 3: Coloured roofing sheets

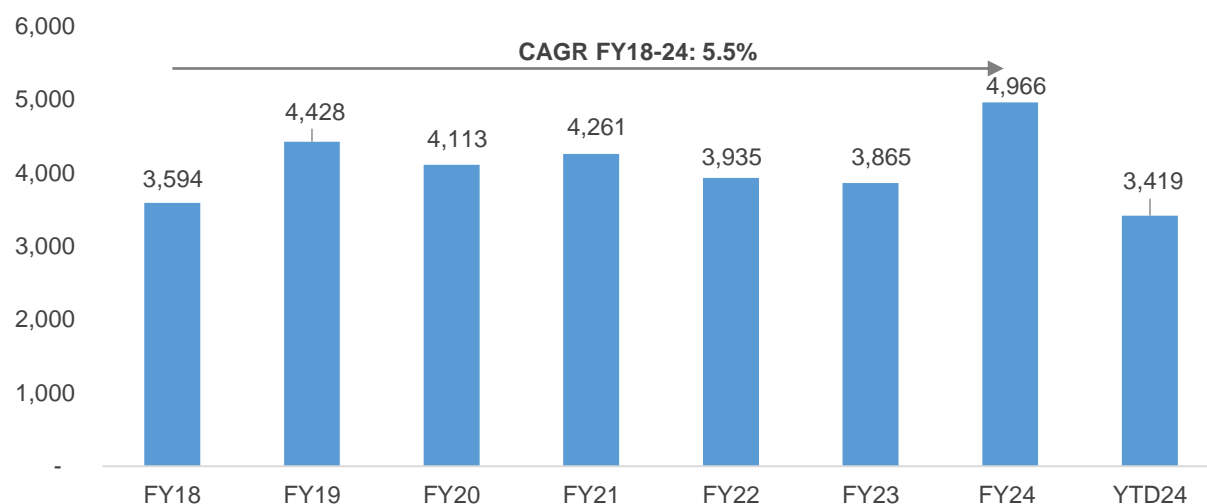
#### Coloured roofing sheet market segregation in Bihar (fiscal 2024)



Source: Industry, Crisil Intelligence

The coloured roofing sheets market in Bihar stood at around 0.030 million tonne per annum in fiscal 2024. Of this, BMW Ventures accounted for 16-18% (~0.005 MTPA). Other brands, such as Kamdhenu, Ultra Shine, Jindal etc., accounted for the balance 82-84% (~0.025 MTPA). Jindal was the market leader.

### BMW Ventures' coloured roofing sheets sales over fiscals 2014-2024 (tonne)

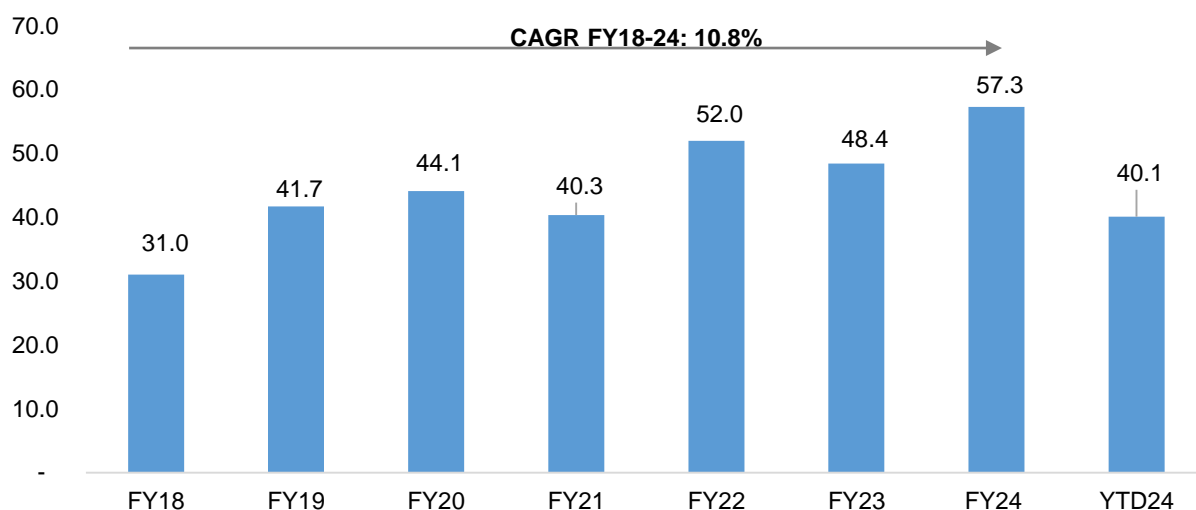


YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

Annual sales of colour roofing sheets increased from 3,594 metric tonne to 4,428 metric tonne from fiscal 2018 to 2019 owing to the company's sharpened focus on the product. The sales volume dipped in 2020 to 4,113 metric tonnes, however, in fiscal 2021, the volume rose 3.6% on-year owing to a spike in construction activities with urban labourers returning to their native places during the Covid-19 lockdowns. The sales volume dipped slightly in fiscals 2022 and 2023. In fiscal 2024, the sales volume for coloured roofing reached at was 2,950 tonnes, an on-year increase in sales by 28.2%. Over fiscals 2018-2024, the sales for coloured roofing sheets increased at a CAGR of 5.5%. As of December, sales volume for the current fiscal totalled 3,419 tonne.

### BMW Ventures' coloured roofing sheets sales over fiscals 2014-2024 (Rs crore)



YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

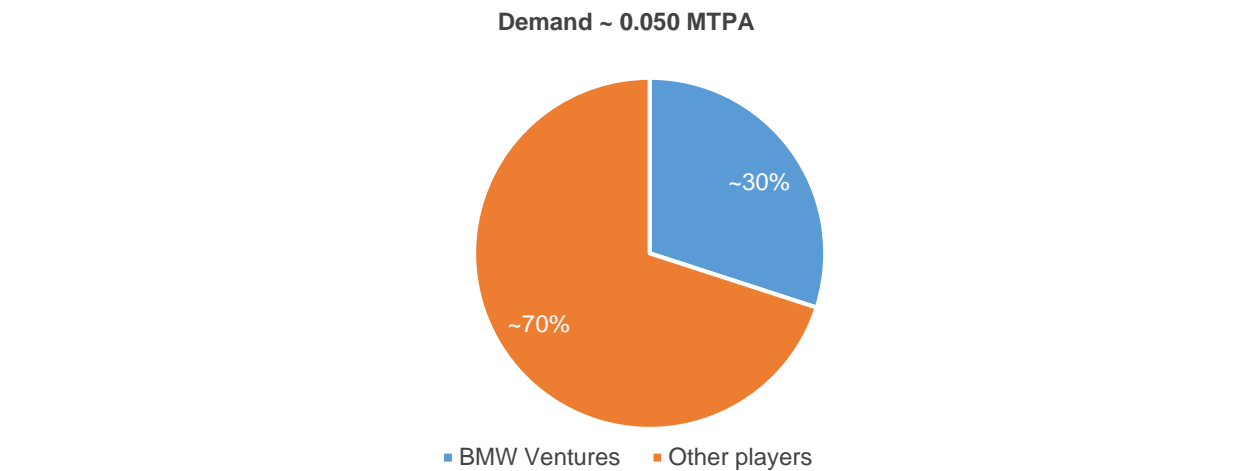
Typically, the prices of coloured roofing sheets do not see sizable fluctuations. Even though the sales volume declined marginally in fiscal 2022, a recovery in overall steel prices during the fiscal from the lows observed in the previous two fiscals boosted the revenue from the coloured roofing sheets segment over 29% on-year. In fiscal 2023, the revenue fell 6.8% even though the sales volumes decreased just by 1.8%. The revenue for the current fiscal stood at



Rs 57.3 crore. The company logged a CAGR of 10.8% in revenue from the segment between fiscals 2018 and 2024, much higher than the CAGR for sales volume of 5.5%, highlight increase in the average realisations. As of December, net annual sales for the current fiscal amounted to Rs 40.1 crores.

**Focused product 4: Hot rolled (HR) sheets**

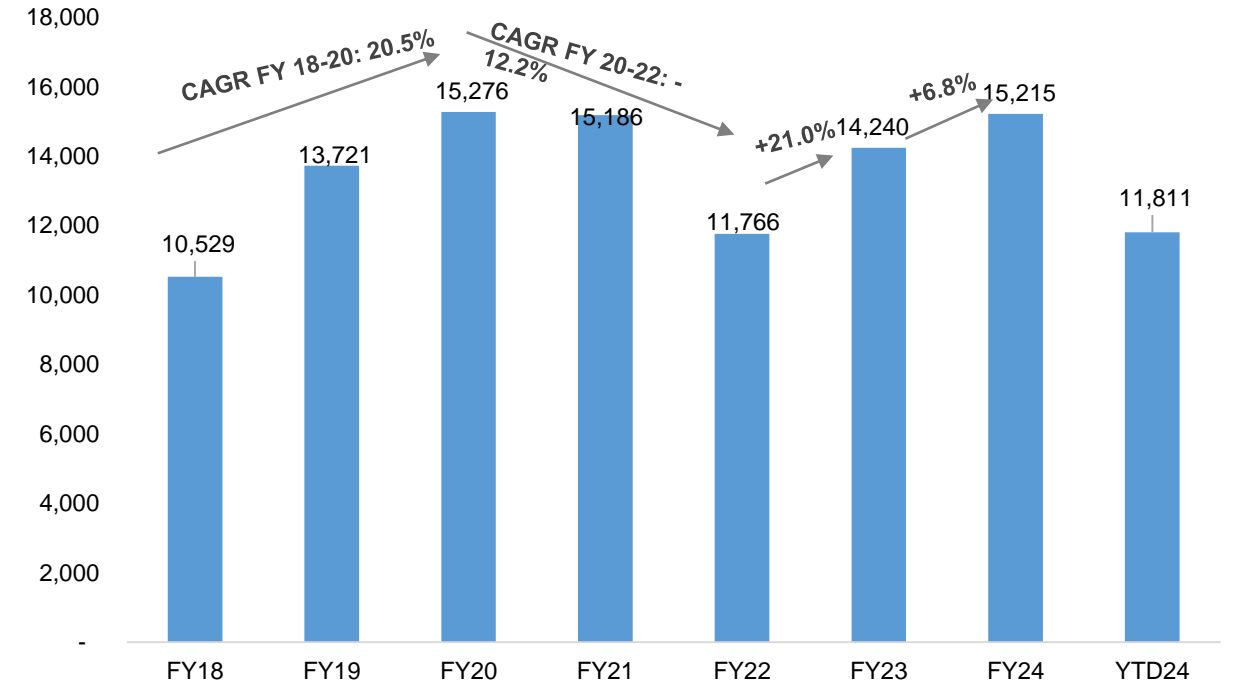
**HR sheet market segregation in Bihar (fiscal 2024)**



Source: Industry, Crisil Intelligence

The HR sheets market in Bihar stood at around 0.050 MTPA in fiscal 2024. Of this, BMW Ventures accounted for 33-35% (~0.015 MTPA). Distributors of other brands such as Sail, Bokaro etc. accounted for the balance ~70% (~0.035 MTPA).

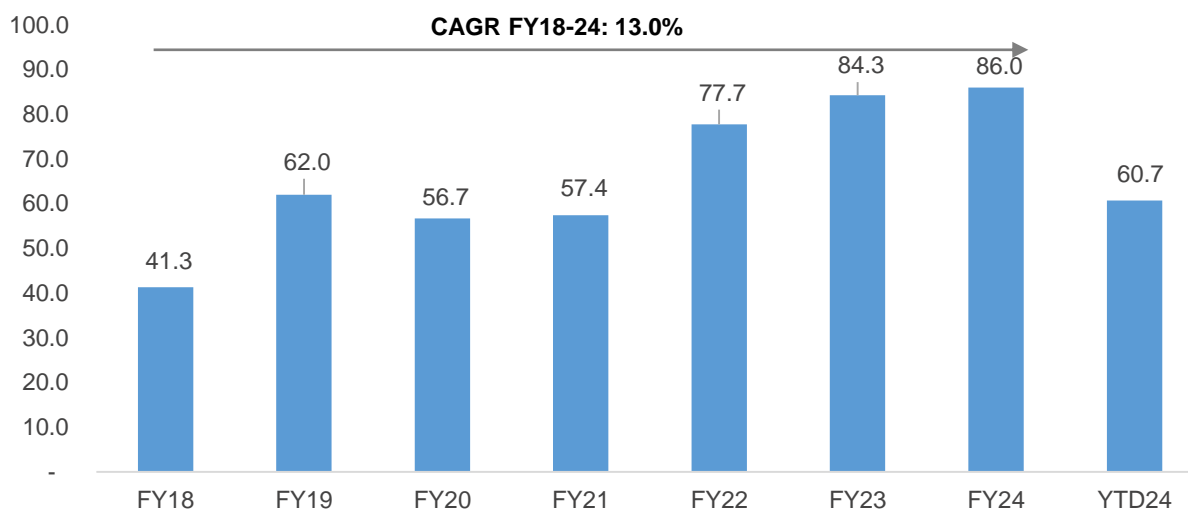
**Sales of HR sheets over fiscals 2018-2024 (tonne)**



YTD: Fiscal 2025 till December'24  
Source: BMW Ventures, Crisil Intelligence

The company's sales of HR sheets rose from 10,529 tonne in fiscal 2018 to 15,276 tonne in fiscal 2020, logging a CAGR of 20.5%. However, during fiscals 2020-2022, the volume fell 12.2% on a compounded basis to 11,766 tonne, owing to pandemic-related demand disruption. The annual sales volume increased 21.0% on-year in fiscal 2023 to 14,240 million tonne. Sales volume reached 15215 tonne in fiscal 2024, an on-year increase of 6.8%. As of December, sales volume for the current fiscal totalled 11,811 tonne.

#### Sales of HR sheets over fiscals 2014-2024 (Rs crore)



YTD: Fiscal 2025 till December'24

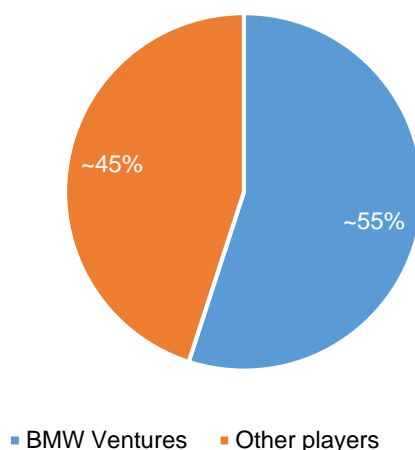
Source: BMW Ventures, Crisil Intelligence

The company logged a CAGR of 13.0% in revenue from the HR sheets segment between fiscals 2018 and 2024, increasing from Rs 41.3 crore in fiscal 2018 to 86.0 crore in fiscal 2024. As of December, net annual sales for the current fiscal amounted to Rs 60.7 crores.

#### Focused product 5: GP Sheets

##### GP sheets market segregation in Bihar (fiscal 2024)

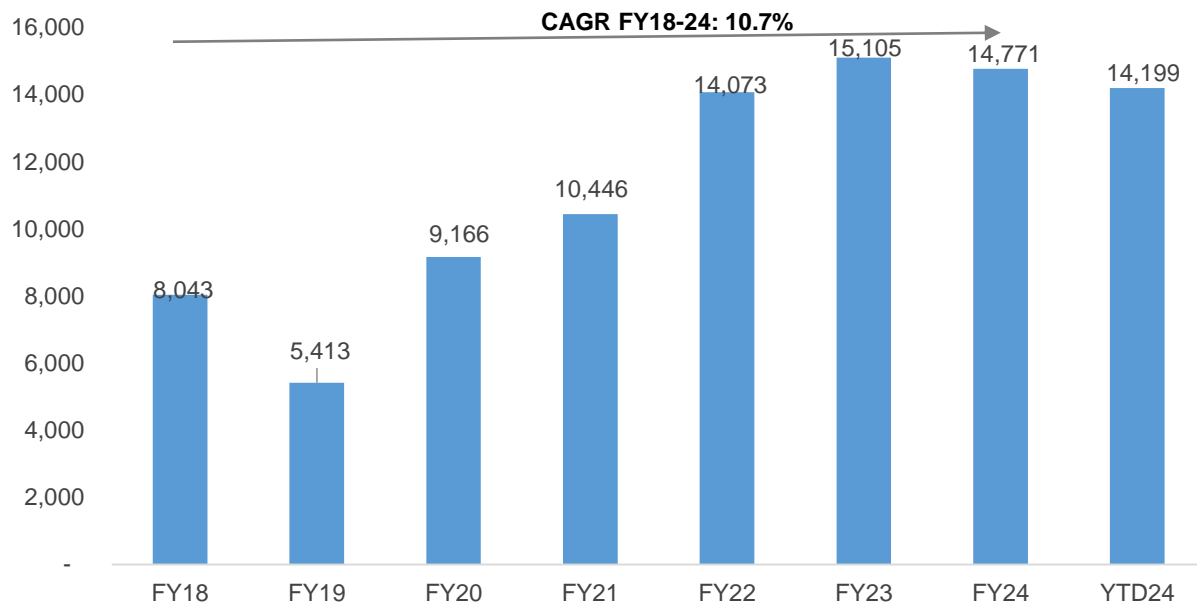
GP sheets market segregation FY24 - Bihar Demand ~ 0.027 MTPA



Source: Industry, Crisil Intelligence

The GP sheets market in Bihar stood at around 0.027 MTPA in fiscal 2024. Out this, BMW Ventures accounted for around ~55% (~0.015MTPA). Small and local distributors accounted for the balance.

### BMW Ventures' GP sheets sales over fiscals 2018-2024 (tonne)

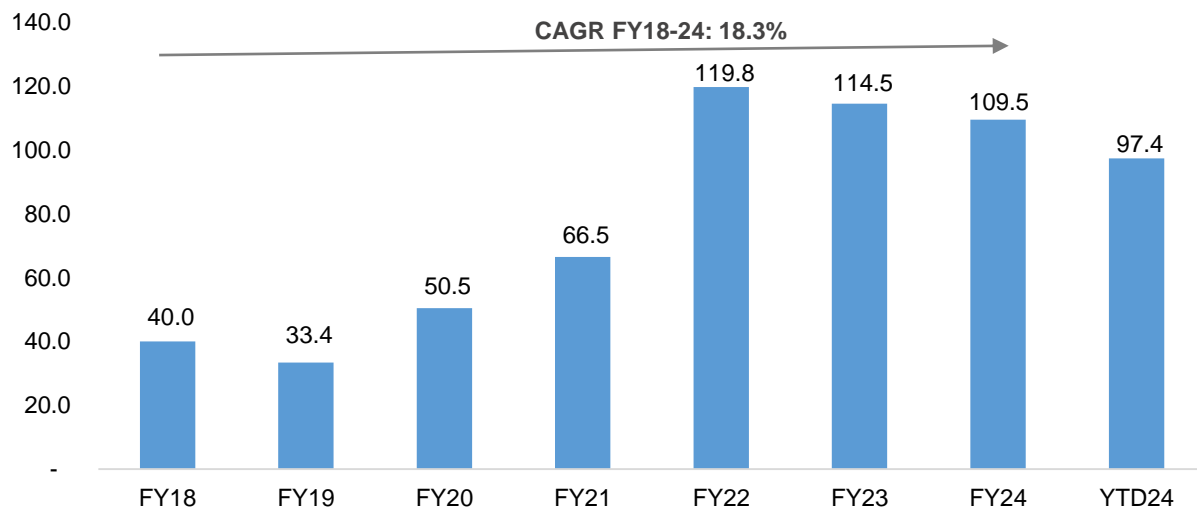


YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

The company's sales of GP sheets rose from 8,043 tonne in fiscal 2018 to 14,771 tonne in fiscal 2024 logging a CAGR of 10.7%. As of December, sales volume for the current fiscal totalled 14,199 tonne.

### BMW Ventures' GP sheet sales over fiscals 2018-2024 (Rs crore)



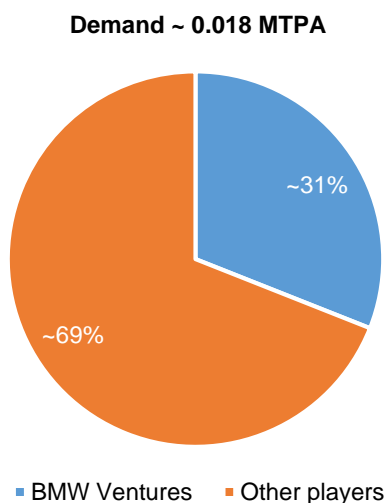
YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

The company's revenue from the GP sheets segment logged a CAGR of over 18.3% during fiscals 2018-2023, increasing from Rs 40.0 crore in fiscal 2018 to Rs 109.5 crore in fiscal 2024. The average realisations increased faster than the volume sales of GP sheets. As of December, net annual sales for the current fiscal amounted to Rs 97.4 crores.

### Focused product 6: CR sheets

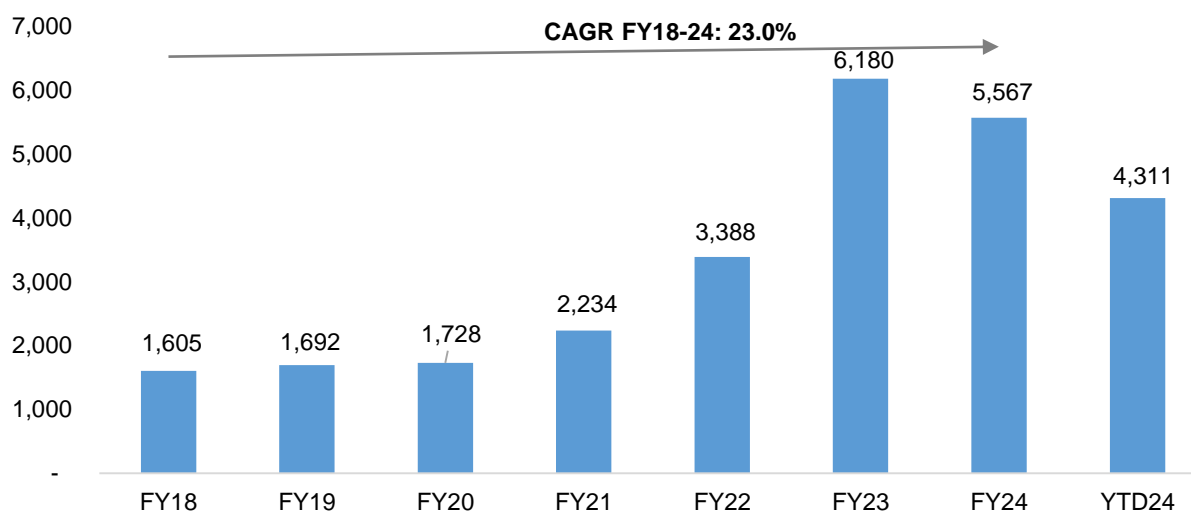
### CR sheets market segregation in Bihar (fiscal 2024)



Source: Industry, Crisil Intelligence

The CR sheets market in Bihar stood at around 0.018 million tonne per annum in fiscal 2024. Of this, BMW Ventures accounted for around 31% (~0.006 MTPA). Brands such as SAIL, Bhushan Power etc. accounted for the balance 69% (~0.012 MTPA).

### BMW Ventures' sales of CR sheets over fiscals 2018-2024 (tonne)

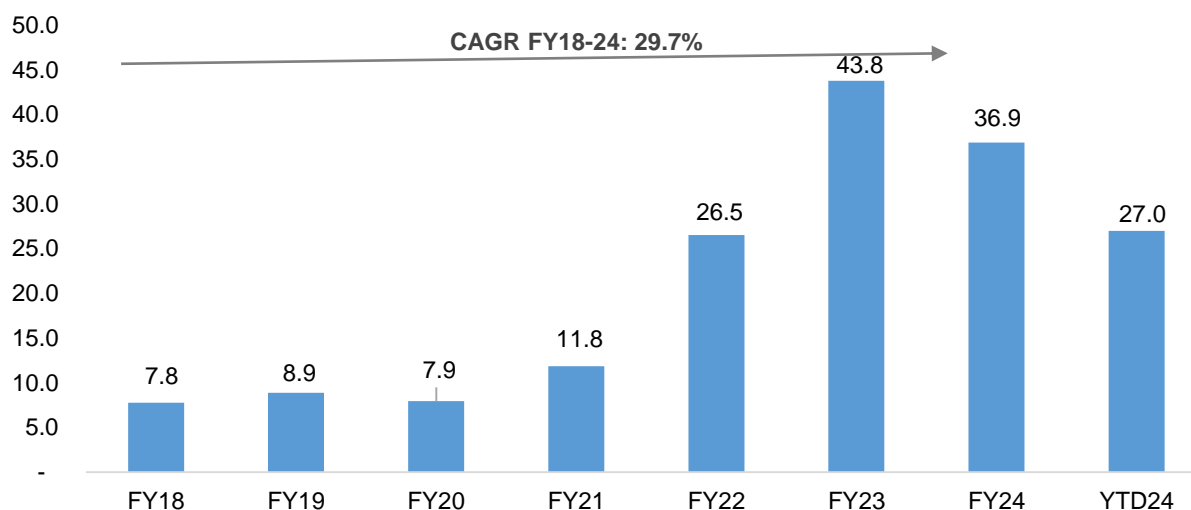


YTD: Fiscal 2025 till December'24

Source: BMW Ventures, Crisil Intelligence

The company's sales of CR sheets rose from 1,605 tonne in fiscal 2018 to 5,567 tonne in fiscal 2024 increasing many fold at a CAGR of 23.0%. As of December, sales volume for the current fiscal totalled 4,311 tonne.

### BMW Ventures' sales of CR sheets over fiscals 2018-2024 (Rs crore)



YTD: Fiscal 2025 till December'24  
Source: BMW Ventures, Crisil Intelligence

The company's revenue from the CR sheets segment increased from Rs 7.8 crore in fiscal 2018 to Rs 36.9 crore in fiscal 2024, mirroring the trend in CR sales volume over the period and clogging CAGR of 29.7%. As of December, net annual sales for the current fiscal amounted to Rs 27.0 crores.

#### Value-chain analysis of BMW Ventures' focused products

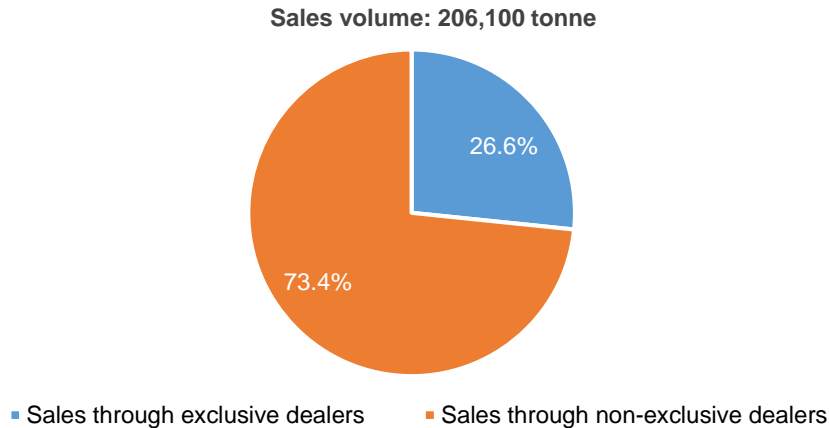
Product category of BMW Ventures	No of districts in Bihar with BMW Ventures dealership in December'24 (total districts – 38)	No of dealers in Bihar in FY25 till December'24		
		Exclusive dealers	Non-exclusive dealers	Total dealers
TMT reinforcement bars	29	137	801	938
GC sheets	29	21	232	253
GP sheets	31	-	160	163
HR sheets and coils	38	-	160	163
CR sheets and coils	31	-	150	151
Coloured roofing sheets	29	-	220	225

Source: BMW Ventures, Crisil Intelligence

The company's HR sheets and coils segment has dealerships in all the districts in Bihar. Of its six business segments, the TMT reinforcement bar segment has the highest number of dealers in the state — 938 as of December 2024, a sharp jump from 299 in fiscal 2013. Of the 938 dealers, 137 (~15%) are exclusive and the balance 801 are non-exclusive.

Similarly, of its 253 GC sheets dealers in the state, 21 (8%) are exclusive. The company has 225 dealers for coloured roofing sheets in the state, 163 for GP sheets, 151 for CR sheets and 163 for HR sheets and coils.

#### TMT bars sales breakup across 29 districts in Bihar in fiscal 2024 (tonne)



Source: BMW Ventures, Crisil Intelligence

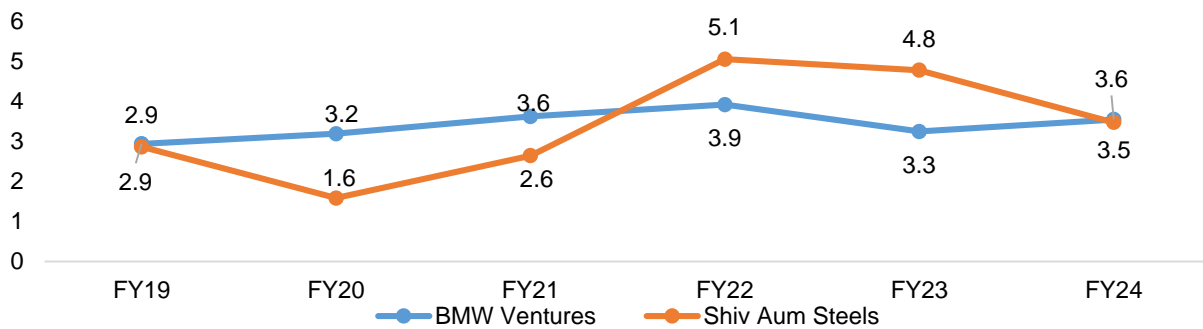
BMW Ventures has TMT reinforcement bar dealerships in 29 of 38 districts of Bihar. The company sold 206,100 tonne of TMT bars in fiscal 2024. Of this, 54,897 tonnes, or 26.6%, was sold by exclusive dealers.

### Competition benchmarking

To benchmark the performance of BMW Ventures, a comparison has been drawn across profitability, liquidity, and leverage parameters across its peer- Shiv Aum Steels Limited, involved in similar kind of business and having the operational capabilities in the comparable range of BMW Ventures along with similar product offerings.

### Profitability parameters

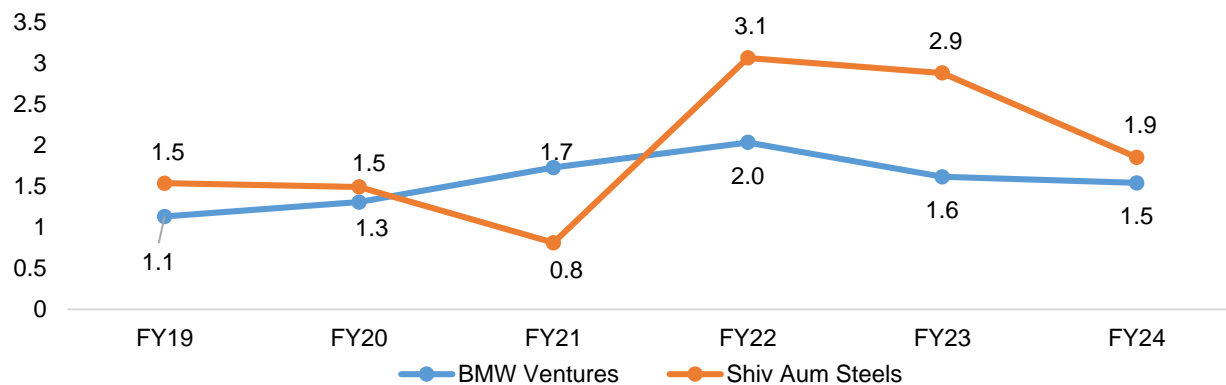
#### Comparison of operating profit margin (in %)



Source: BMW Ventures, Crisil Intelligence

Over fiscals 2019 to 2024, BMW Ventures' OPM remained higher or at par when compared to its peer. This indicates that BMW ventures has effectively managed its performance metrics, outperforming its competitor in mitigating the impact on its operating profit margins in those years. Looking at the OPM, both BMW Ventures and Shiv Aum Steels started at 2.9% in FY19. But their paths diverged. Shiv Aum Steels' margin dropped to 1.6% in FY20, then jumped to 5.1% in FY22, and finally settled at 3.5% in FY24. In contrast, BMW Ventures showed more stability, steadily increasing to 3.9% in FY22 and ending at 3.6% in FY24. A consistent upward trend, with only a minor dip to 3.3% in FY23. Overall, BMW Ventures seems to have a more predictable profit margin trajectory.

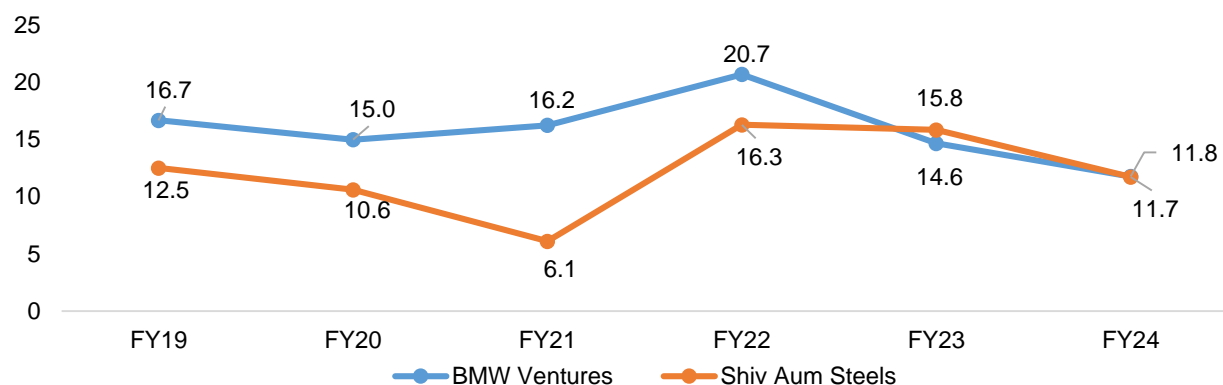
### Comparison of net profit margin (in %)



Sources: Company financials, Crisil Intelligence  
 NOTE: For fiscals 2019, 2020 and 2021, PAT value has been taken as per the audited financials of BMW Ventures which has adjusted PAT post considering the provisions for CSR and stood at Rs.1,257 lakhs, Rs. 1,486 lakhs and Rs. 2,203 lakhs for fiscal 2019, 2020 and 2021 respectively.

BMW Ventures net profit margin (NPM) increased from 1.1% in fiscal 2019 to 1.5% in fiscal 2024. The company has effectively managed to maintain its NPM within a range of 1.1-2.0%, showcasing effective financial management and resilience in challenging environment. BMW Ventures started with a margin of 1.1% in FY19 and gradually increased it to 2.0% by FY22, before it slipped to 1.5% in FY24. Shiv Aum Steels, on the other hand, began with a higher margin of 1.5% in FY19, but it was more volatile - it dropped to 0.8% in FY21, then spiked to 3.1% in FY22, and finally settled at 1.9% in FY24. Overall, BMW Ventures' net profit margin has been more consistent, with smaller fluctuations compared to Shiv Aum Steels.

### Comparison of return on capital employed (in times)

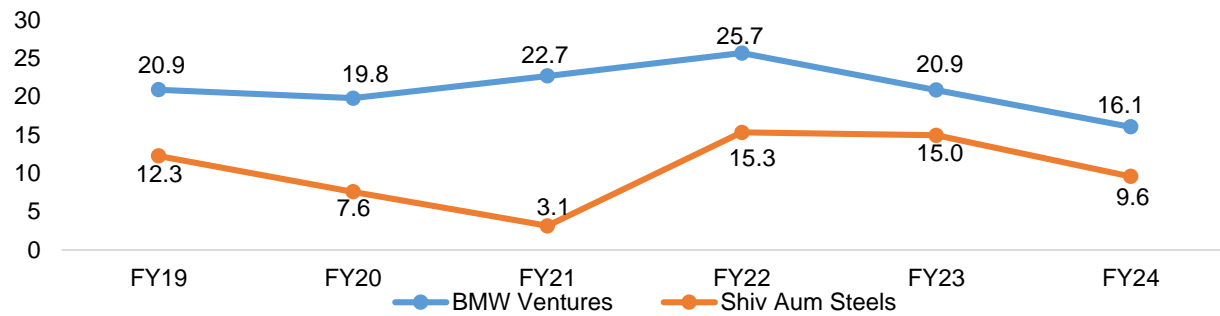


Sources: Company financials, Crisil Intelligence

BMW Ventures has consistently demonstrated superior performance in return on capital employed (ROCE) compared to its peer. In fiscal 2019, BMW Ventures' ROCE was 16.7 times, significantly higher than Shiv Aum Steels' 12.5 times. The company maintained its lead throughout fiscals 2019 to 2022. BMW Ventures stands out with its strong performance, starting at 16.7 in FY19 and peaking at 20.7 in FY22. Although it declined to 11.8 in FY24, its overall numbers are still impressive. In contrast, Shiv Aum Steels started lower at 12.5 in FY19 and had a tougher time, particularly in FY21 with a ROCE of just 6.1. While it's bounced back since, BMW Ventures' ROCE has generally been higher over the years, showcasing its ability to generate better returns on capital. BMW Ventures' robust ROCE highlights its strong capital efficiency and superior financial management.



### Comparison of return on equity (in %)

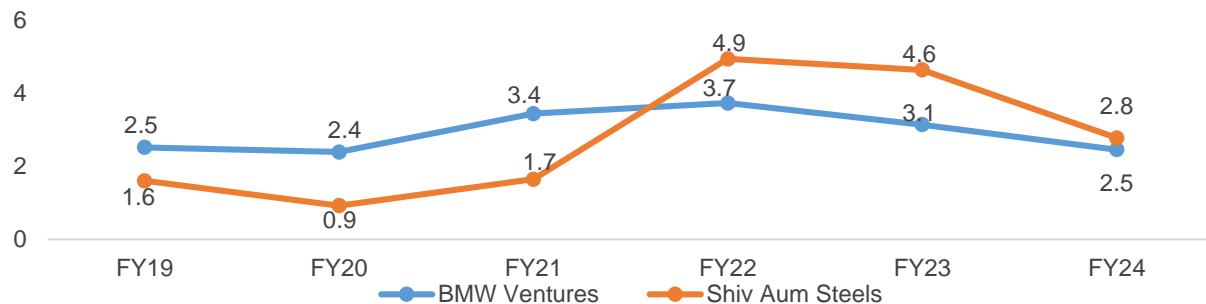


Sources: Company financials, Crisil Intelligence

BMW Ventures has shown superior performance in return on equity (ROE) over the years and have maintained a consistency in its ROE throughout fiscals 2019 to 2024, where its ROE remained with-in a range of 19.8-25.7%, peaking at 25.7% in FY22, although it did dip to 16.1% in FY24. In contrast, Shiv Aum Steels has struggled to match that level, with its ROE ranging from a low of 3.1% in FY21 to a high of 15.3% in FY22 and ending at 9.6% in FY24. What's notable is that BMW Ventures' ROE has been remarkably stable, with only a few percentage points of variation, while Shiv Aum Steels has seen much wider swings. This suggests that BMW Ventures is doing a better job of generating strong returns for its shareholders. In fiscal 2019, its ROE was 20.9%, significantly ahead of Shiv Aum Steels' 12.3%. By fiscal 2023, BMW Venture's ROE demonstrated resilience, recording 20.9%, 5.9% points higher than Shiv Aum Steels' 15.0%. BMW Ventures' relatively stable ROE highlights its strong financial management and ability to generate returns for shareholders more effectively than its peer.

### Leverage parameters

#### Comparison of interest coverage ratio (in times)



Sources: Company financials, Crisil Intelligence

BMW Ventures has demonstrated superior interest coverage ratios compared to its peer over fiscals 2019 to 2021. BMW Ventures has consistently maintained a relatively stable ratio, ranging from 2.4 to 3.7, with a slight dip to 2.5 in FY24. This suggests that the company has a comfortable cushion to cover its interest payments. In contrast, Shiv Aum Steels has had a more volatile experience, with its ratio plummeting to 0.9 in FY20, but then surging to 4.9 in FY22. Although it's come back down to 2.8 in FY24, Shiv Aum Steels' interest coverage ratio has seen some significant ups and downs over the years. Notably, BMW Ventures' ratio has been consistently higher than Shiv Aum Steels' until FY22, when Shiv Aum Steels briefly took the lead. However, BMW Ventures' stability in this area is still impressive.

### 7.1.5 Financial analysis

#### Profitability estimates

Particulars	Units	FY19	FY20	FY21	FY22	FY23	FY24
Total Revenue	(Rs lakh)	1,10,866	1,13,324	1,27,178	1,56,359	2,01,510	1,93,822

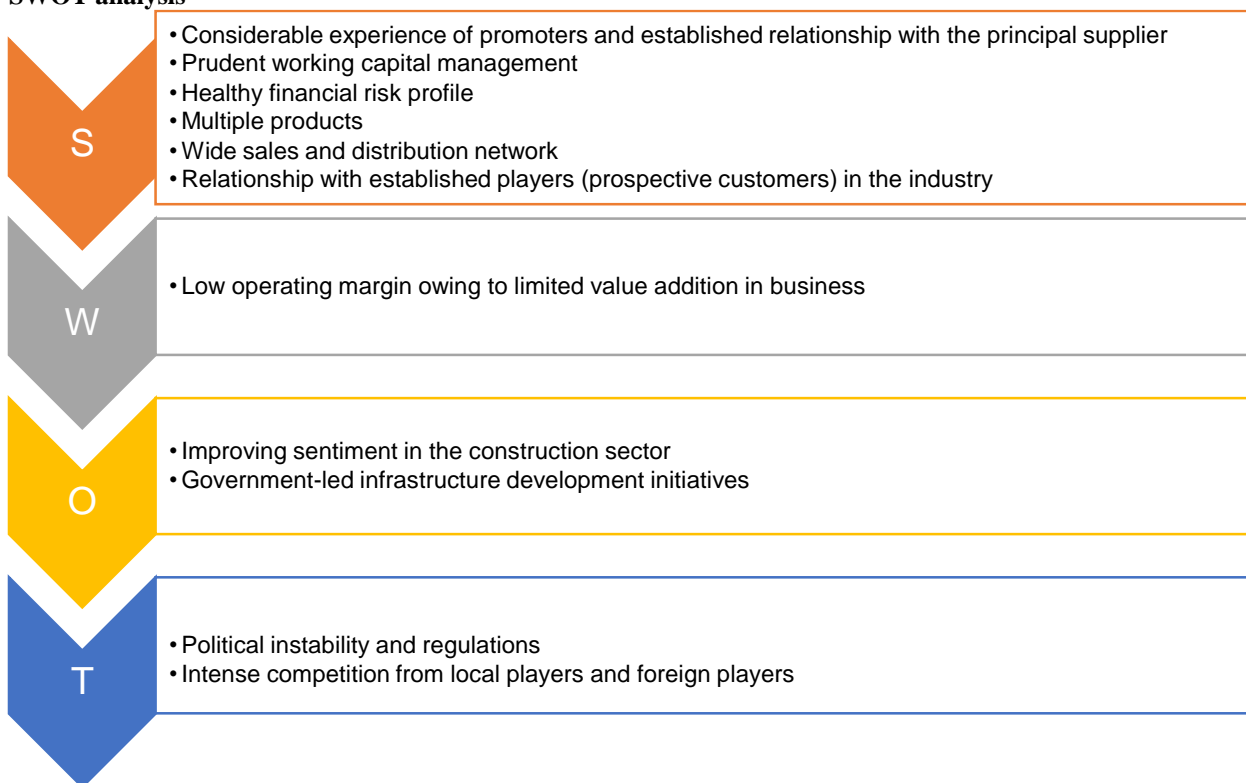
Particulars	Units	FY19	FY20	FY21	FY22	FY23	FY24
<b>EBITDA</b>	(Rs lakh)	3,297	3,623	4,547	6,168	6,549	6,887
<b>EBITDA Margin</b>	(%)	3.0%	3.2%	3.6%	3.9%	3.3%	3.6%
<b>PAT</b>	(Rs lakh)	1,257	1,486	2,203	3,194	3,266	2,994
<b>PAT Margin</b>	(%)	1.1%	1.3%	1.7%	2.0%	1.6%	1.5%

Source: BMW Ventures, Crisil Intelligence

NOTE: For fiscals 2019, 2020 and 2021, PAT value has been taken as per the audited financials of BMW Ventures which has adjusted PAT post considering the provisions for CSR and stood at Rs.1,257 lakhs, Rs. 1,486 lakhs and Rs. 2,203 lakhs for fiscal 2019, 2020 and 2021 respectively.

BMW Ventures has shown some impressive resilience in its operational performance. Its EBITDA margins have generally been on an upward trend, growing from 3.0% in FY19 to 3.6% in FY24, with a peak of 3.9% in FY22. This stability is a testament to the company's ability to navigate challenges and maintain profitability. What's also notable is the improvement in its bottom-line performance - the PAT margin has grown from 1.1% in FY19 to 1.5% in FY24, with a peak of 2.0% in FY22. This suggests that the company is doing a good job of turning operational efficiencies into real profitability gains. Overall, the numbers point to a strong foundation for long-term sustainability.

### SWOT analysis



Source: BMW Ventures, industry, Crisil Intelligence

### 7.1.6 Key strengths

#### 7.1.7 Considerable experience of promoters, established relationship with principal supplier

BMW Ventures is the sole distributor of long and flat products for its primary supplier, catering to more than 1250 dealers and large players in Bihar.

The promoters have been in the business for more than a decade and have a strong foothold in the company's markets. They have also expanded the company's presence into new regions. In fact, their strong understanding of the industry has helped it win several awards and recognitions. They are well-supported by qualified and experienced professionals across levels, with appropriate functional responsibilities.

Their experience and strong relationship with the primary supplier will continue to aid the business. The company also has a sizeable workforce of ~600 employees, which is a supporting factor, too.

- **Healthy financial risk profile**

Net worth as on March 31, 2024, was estimated at a healthy Rs 186.3 crore. It supports capital structure. Its gearing ratio stood around 2.1 times in fiscal 2024. Debt protection metrics are also comfortable with interest estimated at 2.5 times as on March 31, 2024.

- **Multiple products**

The company has a wide product portfolio — from Tata Steel products to PVC pipes and steel girders. This allows it to cater to the diverse demands of customers/ dealers. It has also diversified into manufacturing pre-engineered buildings and steel girders for railways.

- **Wide sales and distribution network**

The company markets and distributes its wide range of products to diverse customers in Bihar. It has marketing arrangements through its dedicated sales and marketing teams, supported by its promoter and director Nitin Kishorepuria, who has 20 years of field experience. The products are marketed and sold in Bihar through an established sales network. The company works on a two-way marketing strategy — a direct approach to customers and through sales agents/ dealers.

- **Relationship with established players in the industry**

The company's customer base includes a diverse set of industries, including agriculture and real estate. The major customers, based on sales value of the products supplied in the year-ended March 31, 2024, are Shree Ranisati Enterprises, Neha Nidhi Steels, Manokaamna Infra Resources LLP, National Industrial Works, RK Steels, Basant Lal Agarwal, Sita Ram Om Prakash Hemkund Traders, North Bihar Coal Supplier and Maurya Motors Ltd. The company is poised to benefit from its strong relationship with industry players, enabling it to provide better services to customers.

- **Diversification into Manufacturing**

The company has expanded into the production of pre-engineered building solutions and has established a manufacturing unit that is registered and approved by the Research Designs and Standards Organisation (RDSO) for composite and other steel plate girder. Both units are located in Purnea.

- **Land bank for future expansion**

The company has purchased and registered 52.88 acres land

### **7.1.8 Key weakness**

- **Low operating margin**

In fiscal 2024, the company's operating margin was a low 3.6%. However, prudent inventory management could ensure stable margin despite volatility in steel prices.

To mitigate the weakness, the company can diversify into non-trading high-margin businesses to improve its profitability.

### **7.1.9 Key opportunities:**

- **Improving sentiment in the construction sector**

As the economy starts recovering from the pandemic, it is expected that the construction sector will grow at a robust pace. Private construction, which suffered when the afflictions were spreading, is expected to bounce back as the world comes out of the pandemic. Further, people who now have high disposable income after the pandemic due to decreased expenses will look to construct their own houses in the next few fiscals. This expected improvement in the construction industry will boost the demand for the company's products.

- **Government-led infrastructure development initiatives**

Both the union and state governments are increasingly allocating higher funds to develop infrastructure in Bihar. Various schemes, such as PM Gati Shakti Yojana and others for development of highways, bridges, dams etc, are expected to boost demand for the products of the company. The company can leverage these opportunities to improve the sales of its products.

#### 7.1.10 Key threats:

- **Political instability and regulations**

Changes in governments and regulations can increase the risks for the company and even hamper its operating efficiency and profitability margins.

The company would need to develop a dynamic set of standard operating procedures to be able to adjust under different political environments to mitigate this threat.

- **Intense competition from local players and foreign players**

As the industry is expected to grow, it is highly likely that a high number of new local and foreign players will make an entry. As local players will know the localities better and foreign companies will have huge cash to burn, they might pose a threat to BMW Ventures. To overcome this challenge, it would need to regularly monitor the business and competitive environment and strategise accordingly.

## 8. Annexure

### Details of licences and certificates

License type	Licence number	Date of issue
Bihar Shops and Establishment Act	PT 39708	3/10/1995
Importer and Exporter Code (IEC)	2195000295	6/7/1995
ISO 9001 :2015 (BMW Ventures Ltd)	21RQ10AF	10/6/2021
ISO 9001 :2015 (BMW Polytube Unit of BMW Ventures Ltd)	21RQ10AE	10/6/2021
Bihar State Pollution Control Board	Application ID- 2771337	6/28/2019
Employee State Insurance Corporation	4200011447001500	3/4/2010
Employees Provident Fund Organisation	BR/PT/7516 Appl No.--98/53	4/16/1998
Legal Metrology Certificate	-	-

Source: BMW Ventures

## OUR BUSINESS

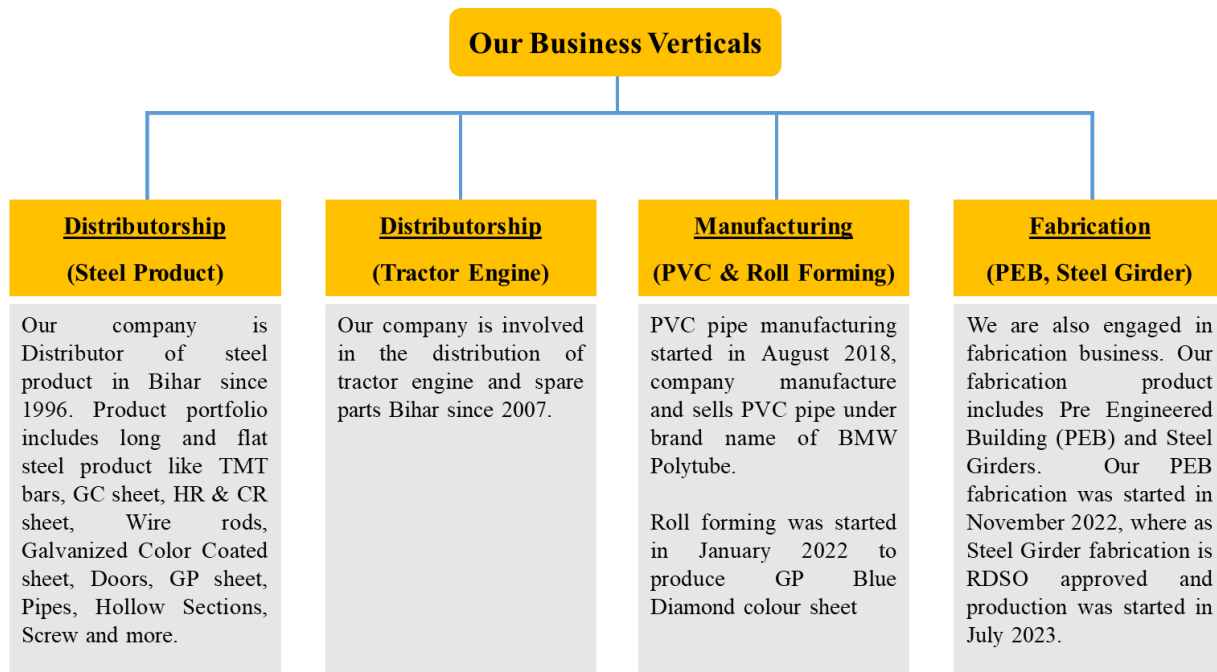
*Some of the information in the following section, especially information with respect to our plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section “Forward-Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements and the section “Risk Factors” on page 36 for a discussion of certain risks that may affect our business, financial condition or results of operations. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information included in this Draft Red Herring Prospectus beginning on page 271. Industry and market data used in this section have been extracted from the CRISIL Report, which has been commissioned by our Company exclusively in connection with the Issue for the purposes of confirming our understanding of the industry in which we operate.*

*For further details and risks in relation to the CRISIL Report, see “Risk Factors – We have used information from the CRISIL Report which we commissioned for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.” on page 36. The CRISIL Report will form part of the material documents for inspection and is available on the website of our Company at [www.bmwventures.com](http://www.bmwventures.com). The information in the following section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in “Risk Factors”, “Industry Overview”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 36, 148, 271 and 330, respectively.*

### OVERVIEW

Our company is engaged in trading/Distribution of steel products, tractor engines and spare parts, manufacturing of PVC pipes and roll forming, and the fabrication of pre-engineered buildings (PEB) and steel girders. Over the years, we have established a strong dealer’s distributorship network in both long and flat steel products, tractor engine, roll forming and PVC. Further, PEB and steel girder are institutional sales.

Our company specializes in the distribution of long and flat steel products across Bihar, India. We have developed a business model focused on delivering high-quality products and ensuring timely deliveries to our network of dealers. As the exclusive distributor for our primary supplier, we supply steel products through 1,279 dealers as on December 31, 2024 dealers spanning 29 of the 38 districts in Bihar.



Our long products include TMT Bars, Wire - Galvanized wires and Structura - Rectangular, Square and Circular Steel Hollow Sections. Flat steel product portfolio comprises of GC Sheet -Galvanized Corrugated Sheets, GP Sheet - Galvanized Sheets, HR Sheet - Hot Rolled Sheets & Coils, GC Sheet - Colour Coated, CR Sheet - Cold rolled Sheets & Coil, Others steel product includes Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers and Door - Residential & Commercial doors and windows.

We source our steel products, including TMT reinforced bars, galvanized corrugated sheets (GC Sheets), hot rolled sheets (HR sheets), cold rolled sheets (CR Sheets), Galvanized plain sheets (GP sheets), steel wires, steel hollow pipes, farm tools and equipment, as well as steel doors and windows, exclusively from the Primary Supplier, in the state of Bihar and these products are widely utilized in various industrial sectors such as construction, automotive, and general engineering.

Our company sources steel products from its primary supplier, considering factors like volume, steel type, quality etc. We apply a markup percentage on costs to cover steel cost, overheads, operational expenses, marketing expense and profit margins. Pricing varies based on market demand and competition.

Our steel distributorship segment constitutes the largest share of our revenue. For the period ending December 2024, steel distribution in Bihar accounted for 98.27% of our total revenue, while our other business segments collectively contributed the remaining 1.73% to revenue from operations.

Our steel distribution business forms major part of our revenue, surpassing our manufacturing and fabrication segments. The steel distribution business has accounted for the majority of our revenue from operations. Specifically, it contributed 98.27%, 97.56%, 98.10% and 97.38% for the period ending December 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively to our total Revenue from Operations.

In addition to distribution of steel products, we also have distributorship of tractor engines and its spare parts to various dealers. With over two decades of experience in the steel market, we have developed distribution business expertise. Using this experience, we have expanded into the fabrication business, which includes the fabrication of steel girders and Pre-Engineered Buildings (PEB) at our fabrication unit located at the Purnea stockyard in Bihar. We are an approved fabricator for steel girders by the Research Designs and Standards Organisation (RDSO), ensuring the delivery of high-quality and reliable products. Also The company has started the corrugation of GC Sheets and Color Sheets, received in coil form and processed accordingly, in January 2025. Additionally, the company offers cut-to-length services for HR Sheets and GP Sheets as per customer requirements.

Tractor engine and spare part distribution has contributed 0.67%, 0.89%, 1.24% and 2.07% for the period ending December 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively to our total Revenue from Operations. PVC business has contributed 0.04%, 0.08%, 0.17% and 0.15% for the period ending December 2024, fiscal 2024, fiscal 2023 and fiscal 2022 respectively to our total Revenue from Operations. Fabrication of PEB has contributed 0.36%, 0.58% and 0.05% for the period ending December 2024, fiscal 2024 and fiscal 2023 respectively to our total Revenue from Operations. Fabrication of Steel Girders business has contributed 0.26% in fiscal 2024.

We have in-house logistics support to deliver supplies as well as have association with third party logistics support whenever required. Our stockyard is equipped with material handling equipment's to support loading, unloading, cutting, shaping, resizing of products as per the requirement of dealer's.

To support our business, we operate five stockyards: one in Purnea (Bihar) and four in Patna (Bihar). These facilities are used for fabrication, storage, and distribution of steel products from our primary supplier. Our stockyards help us maintain adequate inventory levels, ensuring timely and efficient delivery to meet demand across Bihar.

## Revenue Highlights from Our Different Verticals

(₹ in lakhs)

Particulars	Period Ended December 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Distribution of Steel Product</b>				

Particulars	Period Ended December 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue	1,45,157.75	1,89,097.38	1,97,675.80	1,52,259.68
as % of Revenue from Operations	98.27%	97.56%	98.10%	97.38%
<b>Distribution of Tractor Engine</b>				
Revenue	994.35	1,724.10	2,506.28	3,240.95
as % of Revenue from Operations	0.67%	0.89%	1.24%	2.07%
<b>Manufacturing</b>				
<b>PVC Pipes</b>				
Revenue	65.47	159.52	341.31	241.53
as % of Revenue from Operations	0.04%	0.08%	0.17%	0.15%
<b>Roll Forming (GP Sheet Blue Diamond)</b>				
Revenue	95.01	261.43	381.65	182.24
as % of Revenue from Operations	0.06%	0.13%	0.19%	0.12%
<b>Fabrication</b>				
<b>Pre-Engineered Buildings</b>				
Revenue	538.56	1,118.47	98.76	-
as % of Revenue from Operations	0.36%	0.58%	0.05%	0.00%
<b>Steel Girders</b>				
Revenue	-	500.32	-	-
as % of Revenue from Operations	0.00%	0.26%	0.00%	0.00%
<b>Others</b>				
Revenue	866.79	958.41	505.92	434.40
as % of Revenue from Operations	0.59%	0.49%	0.25%	0.28%
<b>Total</b>	<b>1,47,717.92</b>	<b>1,93,819.63</b>	<b>2,01,509.72</b>	<b>1,56,358.80</b>

## Production Description and Business Process

### 1) Distribution of Steel Products:

#### Highlights of the Distributorship Agreement with the Primary Supplier

*The agreement outlines the terms and conditions between the Primary Supplier involved in manufacturing and sales of steel and non-steel products, and BMW Ventures Limited ("the Distributor"). The Distributor is appointed to distribute the Company's products as outlined in the agreement. Responsibilities of the Distributor include promoting and developing sales, maintaining the reputation of the Company's brand, ensuring prompt service, expanding business networks, and complying with company policies.*

*The Distributor is required to maintain adequate signage, employ trained personnel, keep proper records, and submit monthly reports as per the requirements of Primary Supplier. Stocking and inventory management guidelines are specified, along with order lead time requirements. The agreement also addresses complaint settlement procedures, business practices, advertising, warehousing, and pricing.*

*Payment terms, dispatch and delivery procedures, and taxation details are outlined, along with provisions for online selling and selling through e-commerce platforms. The agreement covers support from the Primary Supplier in operations, marketing, and consideration of distributor orders. Both parties provide representations and warranties regarding their authority, capacity, and compliance with the agreement.*

*Confidentiality clauses protect the Primary Supplier's proprietary information, and the Distributor agrees not to disclose or use such information for personal gain. Intellectual property rights are addressed, with the Company retaining ownership of all its intellectual property, and the Distributor agreeing to abide by brand and IP-related guidelines.*

*Overall, the agreement establishes a framework for the relationship between the Company and the Distributor, outlining their respective rights, responsibilities, and obligations in distributing the Company's products.*



The agreement also outlined compliance with laws and policies, including tax obligations and record-keeping, as mandated. Termination clauses allows for termination for cause, convenience, or insolvency, with specific conditions outlined for each scenario. After termination, the distributor is required to settle outstanding payments, return Primary Supplier's products and materials, and cease using its trademarks. The agreement also clarify that post-termination business relations would not constitute a renewal unless a new agreement is executed. General conditions included provisions regarding the distributor's status as an independent entity, waiver of rights, changes in constitution, assignments, amendments, limitations of liability, indemnification, damages for breaches, safety measures, appointment of new distributors, and force majeure events affecting performance. Additionally, it stipulated that the distributor could not withhold payments due to force majeure events, and termination due to force majeure events was subject to specific conditions.

According to CRISIL Report, fiscal 2024, the west and north zones together accounted for ~57% of the overall steel demand. West zone's demand improved significantly from 22.4 million tonne in fiscal 2018 to 37.5 million tonne in fiscal 2024, logging a CAGR of 10.8%. This was led by increased infrastructure development activities, including construction of national highways, bridges, high-rises, statues, dams, metro and railway networks in the west zone states, such as Gujarat and Maharashtra. Steel demand in the east zone grew from 22.1 million tonne in fiscal 2018 to 29.8 million tonne in fiscal 2024, clocking a CAGR of 6.2%, mainly supported by government infrastructure development initiatives such as PM Gati Shakti and a high rate of housing construction in states such as Bihar and Jharkhand, owing to the mass return of laborers following pandemic-led lockdowns.

Steel demand in Bihar grew at a CAGR of 8.3% over fiscals 2018-23 to 1.7 million tonne because of a strong post-pandemic recovery in infrastructure and house construction sectors. In fiscal 2024, Bihar's steel demand stood at 1.5 MT, an on-year decline in growth of 8.6%, because of poor sales of steel products and a decline in overall construction activity due to extreme weather conditions. Demand is expected to grow at a steady CAGR of 8.5-9.5% to 2.1-2.2 million tonne per annum over fiscals 2024-28, driven by increased focus on infrastructure development in the state in view of the Central government's schemes, such as PM Gati Shakti for eastern regions and Pradhan Mantri Gram Sadak Yojana.

For further details, please refer "Industry Overview" on page 148.

**Below is a list of the long and flat steel products that we deal in.**

Particulars	Type
TMT bars	Long
Wire - Galvanized wires	Long
Structura - Rectangular, Square and Circular Steel Hollow Sections	Long
GC Sheet – Galvanized Corrugated Sheets	Flat
GP Sheet - Galvanized Sheets	Flat
HR Sheet - Hot Rolled Sheets & Coils	Flat
GC Sheet - Colour Coated	Flat
CR Sheet - Cold rolled Sheets & Coil	Flat
Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers	Other Steel Products
Residential & Commercial doors and windows	Other Steel Products

**Process for Distribution of Steel Products:**



***a. Procurement from Principal Supplier (PS):***

The Principal Supplier (PS) sets sales targets for our Company and receives yard-wise and SKU-wise requirements from them. PS's back-end team processes the delivery orders based on these requirements and arranges logistics to dispatch materials via road and railway.

***b. Receiving and Quality Check***

Our Company unloads the materials sent by PS at their respective yards. The BMW team inspects the quality of the materials, noting any issues such as wet or rusted material on the Lorry Receipt (LR) and reporting these through a designated app. PS then addresses these complaints by issuing a Credit Note (CN) as necessary.

***c. Warehousing & Inventory Management***

Upon receipt of steel products, our Company inspects and categorizes the stock according to type, size, and grade. The products are then stored in the warehouse, with proper handling procedures followed to avoid damage and ensure accurate inventory records.

***d. Special Handling***

TMT bars received by our Company are bent at the stock yard before being dispatched to dealers. TMT bars arrives in packets of 20-30 tons (in Coil Form) are cut and bent into different size as per customer requirement and ready to use TMT of 2-4 tons are comes for ready to delivery packets, our Company either unpacks the packets or sends them whole to dealers depending on the size of the order.

***e. Order Management and Distribution***

Our Company processes SKU-wise orders received from dealers through online portals, phone calls, or sales representatives. The sales team verifies inventory levels and schedules deliveries based on these orders.

***f. Logistics and Delivery***

Our Company coordinates logistics for delivery, sending materials via road. In some cases, dealers use their own vehicles to collect materials. The warehouse team prepares shipments by ensuring that the correct quantities and types of steel products are loaded onto delivery vehicles. Products are then transported to various locations across Bihar, meeting the specified delivery timeframes.

***g. After-Sales Service***

Our Company provides after-sales support to dealers, addressing any issues related to product quality, delivery discrepancies, or returns. Feedback is collected from dealers to improve service quality and resolve any recurring issues.

***h. Invoicing & Payment Collection***

Invoices are generated and sent to dealers for the delivered products. The sales team is responsible for following up on payments to ensure timely collection. Regular financial reports are prepared to monitor sales performance, cash flow, and overall profitability.

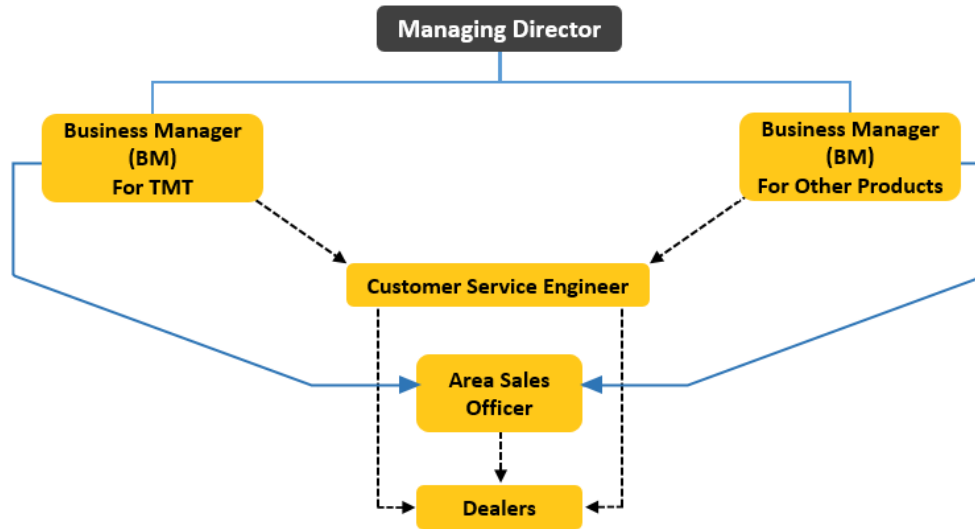
***i. Marketing and Promotions***

Our Company conducts marketing campaigns and promotions to increase sales and attract more dealers. Regular meetings and training sessions are organized to keep dealers informed about new products, industry trends, and best practices.

j. **Performance Monitoring**

Sales data is analyzed to identify trends, recognize high-performing dealers, and pinpoint areas for improvement. Regular inventory audits are performed to ensure stock levels are accurate. Dealer performance is continuously monitored, and incentives or support are provided as necessary to enhance overall sales. Dealer and customer feedback are integrated into processes to improve service quality. There is an ongoing assessment and optimization of logistics, inventory management, and sales strategies aimed at enhancing efficiency and profitability.

**Distribution Channel Hierarchy:**



The company has 4 Business Managers (BM) for TMT and 3 Business Manager for Door and 1 each for GC, Color Sheet, Wire, Agrico, and Structure and 1 Business Manager is for CR, GP and GP Sheet, we have 55 Area Sales Officer (ASO) and 19 Customer Service Engineer (CSE) who deals directly with the dealers. We also have 19 Customer Service Engineer who report to the Business Managers. All ASO & CSE report to the Business Managers. The Customer Service Engineer provides insights on technical factors of our product portfolio to the dealers which helps them in marketing the products.

**Product wise Revenue from Distribution of steel products**

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Long Product</b>				
<i>TMT (Thermo-Mechanically Treated) reinforcement Bar</i>	97,400.34	1,29,163.54	1,38,077.64	97,629.97
<i>Structura - Rectangular, Square and Circular Steel Hollow Sections</i>	6,619.30	6,448.09	3,824.51	4,028.88
<i>Wire - Galvanized wires</i>	3,918.30	4,322.51	5,541.06	4,145.47
<b>Flat Product</b>				
<i>GC Sheet -Galvanized Corrugated Sheets</i>	12,334.25	17,541.23	18,238.08	16,742.47
<i>GP Sheet - Galvanized Sheets</i>	9,742.08	10,945.22	11,451.23	11,977.95
<i>HR Sheet - Hot Rolled Sheets &amp; Coils</i>	6,070.97	8,602.58	8,425.65	7,774.44
<i>GC Sheet - Colour Coated</i>	4,012.49	5,728.95	5,149.54	5,198.72
<i>CR Sheet - Cold rolled Sheets &amp; Coil</i>	2,699.72	3,688.61	4,380.90	2,652.23
<b>Other Steel Product</b>				
<i>Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers</i>	1,320.57	1,500.46	1,122.11	1,109.63
<i>Residential &amp; Commercial doors and windows</i>	1,039.72	1,156.20	1,465.07	999.93

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Total</b>	<b>1,45,157.75</b>	<b>1,89,097.38</b>	<b>1,97,675.80</b>	<b>1,52,259.68</b>
<b>As % of Revenue from Operation</b>	<b>98.27%</b>	<b>97.56%</b>	<b>98.10%</b>	<b>97.38%</b>

#### Product wise Steel Products Sold in Quantity

(₹ in Lakhs)

Particulars	QTY	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Long Product</b>					
<b>TMT (Thermo-Mechanically Treated) reinforcement Bar</b>	MT	1,54,256	2,06,100	1,99,446	1,52,423
<b>Structura - Rectangular, Square and Circular Steel Hollow Sections</b>	MT	10,812	9,437	6,094	5,419
<b>Wire - Galvanized wires</b>	MT	4,927	5,299	6,574	5,782
<b>Flat Product</b>					
<b>GC Sheet -Galvanized Corrugated Sheets</b>	MT	14,076	19,556	20,333	18,587
<b>GP Sheet - Galvanized Sheets</b>	MT	14,199	14,771	15,105	14,073
<b>HR Sheet - Hot Rolled Sheets &amp; Coils</b>	MT	11,811	15,215	14,240	11,766
<b>GC Sheet - Colour Coated</b>	MT	3,419	4,966	4,275	3,935
<b>CR Sheet - Cold rolled Sheets &amp; Coil</b>	MT	4,311	5,567	6,180	3,388
<b>Other Steel Product</b>					
<b>Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers</b>	Pcs	5,35,010	2,04,939	5,72,268	6,35,511
<b>Residential &amp; Commercial doors and windows</b>	Pcs	5,436	6,562	8,317	5,759

The details of the products for which we have a distributorship agreement with our primary supplier are provided below:

#### Long Product:

##### a) TMT (Thermo-Mechanically Treated) reinforcement Bar

TMT reinforcement bars commonly used in construction for reinforcement purposes. TMT bars are widely utilized in various structural applications due to their superior strength and durability for instance in Construction of Buildings and Residential Structures, Infrastructure Projects, Commercial and Industrial Buildings, Earthquake-Resistant Construction etc.

##### b) Galvanized wires

Galvanized wires, which are steel wires coated with a layer of zinc, are versatile and find applications in various industries due to their corrosion resistance and strength and they are used in Fencing and Boundary Applications, Construction and Concrete Reinforcement, Agricultural Applications, Gabion Baskets, etc.

##### c) Rectangular, Square and Circular Steel Hollow Sections

Rectangular, square, and circular steel hollow sections are structural elements that are widely used in construction and various engineering applications due to their strength, versatility, and aesthetic appeal.

#### Flat Product:

##### a) GC Sheet -Galvanized Corrugated Sheets

Galvanized corrugated sheets are widely used in various applications due to their durability, corrosion resistance, and versatility and their applications are made in Roofing and Cladding, Agricultural Structures, Fencing and Enclosures, Waterproofing and Cladding, etc.

**b) GP Sheet - Galvanized Sheets**

Galvanized sheets, also known as galvanized steel sheets or galvanized iron sheets, are sheets of steel that have been coated with a layer of zinc through a process called galvanization. This coating provides various benefits, making galvanized sheets widely used in different industries and they are used in Roofing and Cladding, Construction, Automotive Industry, etc.

**c) HR Sheet - Hot Rolled Sheets & Coils**

Hot rolled sheets and coils are products of the hot rolling process, where steel is heated above its recrystallization temperature and then passed through rollers to achieve the desired thickness and shape. These products find widespread applications across various industries due to their specific characteristics. E.g. Structural Components in Construction, Automotive Manufacturing, Pipelines and Tubing, Railroad Tracks and Train Components, etc.

**d) GC Sheet - Colour Coated**

Colored Roof Sheets, often made of materials like coated steel or aluminum, are popular in construction for both functional and aesthetic reasons. They are used in Residential Roofing, Commercial and Industrial Buildings, Architectural Accents, Agricultural Structures, etc.

**e) CR Sheet - Cold rolled Sheets & Coil**

Cold-rolled sheets and coils are products that undergo a cold reduction process, where the steel is rolled at temperatures below its recrystallization temperature. This process results in sheets and coils with improved surface finish, tight tolerances, and specific mechanical properties. They are widely used in Automotive Manufacturing, Appliance Manufacturing, High-End Furniture and Home Décor, Electrical Equipment, etc.

**Others:**

**a) Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers**

This caters to the need of agriculture, infrastructure as well as mining sectors.

**b) Residential & Commercial doors and windows**

Steel windows and doors are engineered to adhere to the highest standards in building construction, ensuring superior performance in both blast resistance and impact resistance. The inherent strength and durability of these products render them an optimal selection for a wide range of building applications. It is worth noting that steel windows and doors surpass all alternatives in terms of strength, underscoring their position as the premier choice in architectural solutions.

**2) Distribution of Tractor Engine and spare parts:**

Our company is also involved in the distribution of tractor engine and spare parts. Tractors are multipurpose agricultural vehicles, play a pivotal role in various farming operations, including ploughing, feeding, planting, cultivating and the application of fertilizers and pesticides. Our commitment lies in providing high-quality tractors and genuine spare parts to meet the different needs of our clientele engaged in the agricultural sector. With a focus on agricultural mechanization, we aim to contribute to the efficiency and productivity of farming activities through our comprehensive range of tractor-related products.

**Revenue from Distribution of Tractor Engines & Spare parts**

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Distribution of Tractor Engine</b>				
Revenue (Rs in Lakhs)	994.35	1,724.10	2,506.28	3,240.95

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
as % of Total Revenue from Operations	0.67%	0.89%	1.24%	2.07%
Unit Sold ( <i>in Pcs</i> )	151	276	411	569

### 3) Manufacturing

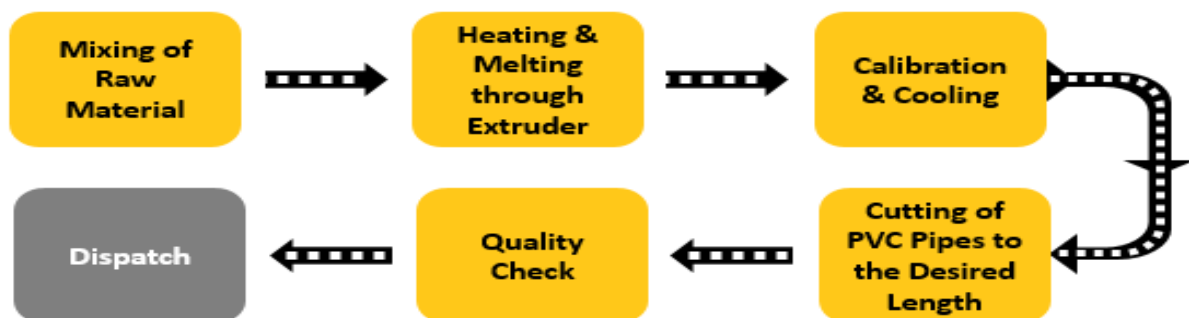
#### i. PVC Pipes:

Our Company has also entered into the manufacturing and trading of PVC pipes under the brand name BMW Polytube. Since August 2018, our company has diversified its operations into the manufacturing and trading of PVC pipes (polyvinyl chloride pipes) through BMW Polytube, operating under the umbrella of BMW Ventures Limited. This venture has an installed capacity of 800 MT per annum.

PVC pipes, fabricated from polyvinyl chloride, a robust and durable plastic-like material are integral components used in diverse applications ranging from plumbing to construction. These pipes are carefully constructed to meet specific requirements, ensuring seamless integration of multiple pipe sections. Pipe ends may feature either a smooth or grooved design, resembling a screw, and various sizes cater to a wide range of applications.

Our company has entered into a Lease agreement with the Bihar Industrial Area Development Authority, Patna, for a designated plot of land situated at Plot No. C-9, Patliputra Industrial Area, Patna-800013.

#### Manufacturing Process of PVC Pipes



#### Process of Manufacturing PVC Pipes:

##### a) Raw Material Mixing

Pipes are primarily produced through an extrusion process. The raw material such as PVC resin, calcium carbonate, stearic acid, wax, titanium dioxide, colour pigment etc. is fed into the extruder. via a hopper and controlled using a gravimetric or volumetric system.

##### b) Heating & Melting Through Extruder

Prepared blend of raw material is fed in to extruder via a hopper and controlled using a gravimetric or volumetric system. Inside the extruder barrel, the material is heated by a combination of electrical heating and friction within the screw system. The melted material is then pushed through a cavity, known as a die-head, forming it into a pipe.

##### c) Calibration and Cooling

After extrusion, the pipe is calibrated to its final dimensions using a vacuum or pressure calibration process.

The vacuum sizing box expands the still malleable plastic tube to its actual production size. Subsequently, the pipes are cooled by water in spray boxes

**d) Cutting**

Post cooling, pipes goes through traction unit at the end of production line where it is cut to the required lengths and either socketed or coiled according to their intended use.

**e) Quality Check**

Finished pipes undergoes quality check, which includes, appearance, defects, dimension. Pipes are pressure tested to check the pressure bearing capacity.

**f) Dispatch**

Finally passing through quality check pipes are packed and sent for delivery.

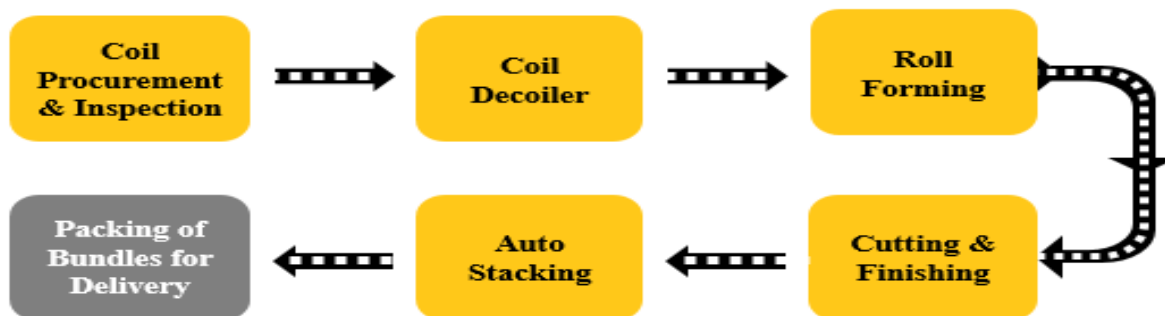
**Revenue from Manufacturing of PVC Pipes**

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Manufacturing of PVC Pipes</b>				
Revenue ( <i>Rs in Lakhs</i> )	65.47	159.52	341.31	241.53
as % of Total Revenue from Operations	0.04%	0.08%	0.17%	0.15%
Unit Sold ( <i>in MT</i> )	63	152	284	200

**ii. Roll Forming:**

Our company produces colour coated GP sheet which are used for sheds in various format. These sheets are manufactured by roll forming process. Our roll forming unit has capacity of 3,000 MT p.a. which is located at Purnia stock yard.

**Manufacturing Process of Roll Forming**



**Process of Manufacturing of Roll Forming**

**a) Coil Procurement & Inspection:**

Coil is procured from primary supplier and/or from other vendors, that will go under roll forming to produce GP sheet. Coil goes under inspection for quality of material procured, thickness, width, etc.



**b) Coil Decoiler:**

Post coil inspection coils are loaded to coil decoiler machine, where coil decoiler machine unwinds or uncoils metal coils, feeding the flat sheet into a processing line for roll forming.

**c) Roll Forming:**

Decoiler machine feeds the roll forming unit. In roll forming machine, metal strip is fed through progressively angled rollers, gradually bending and shaping it into the desired profile.

**d) Cutting & Finishing:**

The formed product then enters the cut-off press, is cut to the desired length, and is stacked on a run-out table along with the other formed products from the roll forming line.

**e) Auto Stacking:**

Post cutting and finishing, the formed sheet is progressively fed to auto stacker which is designed to auto stack the sheets into bundles.

**f) Packaging of Bundles:**

Bundles of sheet are packed as per the requirement of customer and set out for delivery.

**Revenue from Roll Forming**

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Roll Forming (GP Sheet Blue Diamond)</b>				
Revenue ( <i>Rs in Lakhs</i> )	95.01	261.43	381.65	182.24
as % of Total Revenue from Operations	0.06%	0.13%	0.19%	0.12%
Unit Sold ( <i>in MT</i> )	97	254	367	175

**4) Fabrication:**

The Fabrication business of our company includes the fabrication of Pre-Engineered Buildings (PEB) and Steel Girders, both of which are integral to the construction industry. Fabrication unit operates from our Purnea unit, PEB and Steel girder shares a common infrastructure machines, tools and equipments. Fabrication facility under the Purnea unit spread across 1,76,560 sq. ft of which 88,280 sq. ft. each is allocated for steel girder and Pre-Engineered Buildings. Steel Girder fabrication is approved by the Research Designs and Standards Organization (RDSO) for the fabrication of steel girders

**Procurement of Raw Materials for Fabrication of PEB and Steel Girders**

Our Company holds the exclusive distributorship for the comprehensive range of long and flat products offered by the Primary Supplier. Consequently, majority of our procurement of raw materials and stock of goods is directly sourced from the Primary Supplier. Additionally, our company has expanded its operations into the fabrication domain, focusing on the development of Pre-Engineered Building components and Steel Girders. An advantage in this endeavor lies in our direct procurement arrangement with the Suppliers, ensuring a streamlined and advantageous supply of raw materials for these fabrication activities.

***Pre-Engineered Buildings (PEB)***

In response to the surging demand for warehousing infrastructure in Bihar (Source: CRISIL report), our company entered into offering comprehensive turnkey solutions and delving into the fabrication of Pre-Engineered Steel

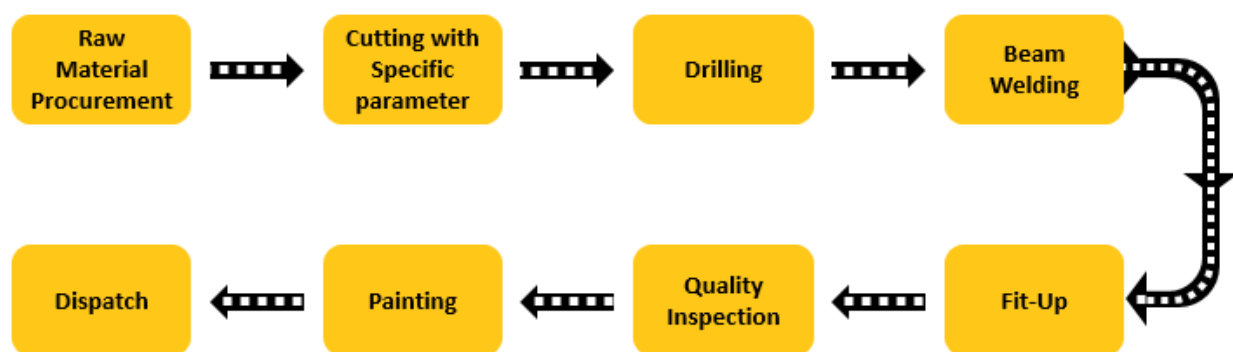
buildings with fabrication capacity of 12,000 MT per annum. Our fabrication initiative is centered on producing pre-engineered steel sheds and units tailored specifically for warehousing facilities and factory sheds.

The primary raw materials utilized in this fabrication process includes HR Plates, GI Coils, and Colour Coating Coils.

Union Budget 2025-26, announced many initiatives to boost Bihar's infrastructure and agriculture, this will lead create to create more demand for Pre-Fabricated Sheds in the region for infrastructure related activities like warehousing, bridges, rail and road networks etc.

### **Fabrication Process of Pre-Engineered Buildings (PEB)**

#### **Fabrication Process of Pre-Engineered Building**



#### **a) Raw Material Procurement:**

Procurement of raw materials is conducted with careful attention to detail, ensuring adherence to customer specifications. The process entails sourcing materials, specifically HR plates of the prescribed grade and dimensions, tailored to fulfill the exacting demands of our clientele. A comprehensive incoming inspection regimen is then implemented to evaluate the procured materials, verifying their adherence to quality standards.

#### **b) Cutting with Specific Parameter:**

Initiate the preparation of raw materials with exacting precision in accordance with specified design requirements. Employ a CNC Plasma Cutting Machine, to execute precise and intricate cuts on HR plates, shaping them into predefined forms. This machinery is utilized to ensure an alignment with both customer specifications and the design requirements.

#### **c) Drilling:**

Implement gap creation in flange and web plates according to design requirements. Utilize sophisticated drilling techniques to strategically position holes at specified locations on both flange and web plates, ensuring precise alignment with the design specifications. This approach underscores our commitment to engineering excellence and adherence to the exacting standards set forth in the design parameters.

#### **d) Beam Welding:**

Integrate the lower flange and web plates to configure the "I" section of the girder. Utilize a Beam Assembler machine with automated capabilities to seamlessly join the lower flange and web plates. Subsequently, unify the upper flange with the web plate to complete the formation of the "I" section. Employ an automated welding machine to weld the assembled components, ensuring precision and structural integrity in the fabrication process.

**e) *Fit-up:***

Ready the girder for supplementary components and ascertain careful alignment. Attach ancillary plates onto the "I" section, incorporating positioned slot holes where required to facilitate seamless integration with purlins. This process ensures that the girder is exactly prepared for subsequent stages, emphasizing our commitment to precision and seamless assembly in the fabrication process.

**f) *Quality Inspection:***

Authenticate that the produced girder adheres to exacting quality benchmarks. Execute a thorough final inspection, referencing the fabrication drawing for a comprehensive assessment. In the event of any identified defects, implement a rework process to rectify discrepancies. Products that successfully clear the quality inspection protocol advance to the concluding phase of final finishing.

**g) *Painting:***

Administer protective coatings to the manufactured girders. Employ the application of Zinc Chromate Primer, with a weight of 120 grams per square meter, to paint products that have been approved through our Quality Assurance (QA) process, ensuring effective corrosion inhibition. Following the painting process, facilitate the seamless transfer of the coated products to our logistics team for dispatch, thereby ensuring the delivery of corrosion-resistant and quality-finished girders to our valued clientele.

**h) *Dispatch:***

Facilitate the preparation and timely delivery of finalized products to our customers. Coordinate with our Logistics Team to organize vehicles based on the specified tonnage and destination requirements. Execute the loading process with safety, ensuring products are securely loaded onto the vehicle while adhering to safe truck load and passing capacity guidelines. Conduct a weighment of the loaded vehicle to ascertain the quantity being transported. Conclude the dispatch process by generating detailed invoices for the loaded quantity of products.

***Steel Girder***

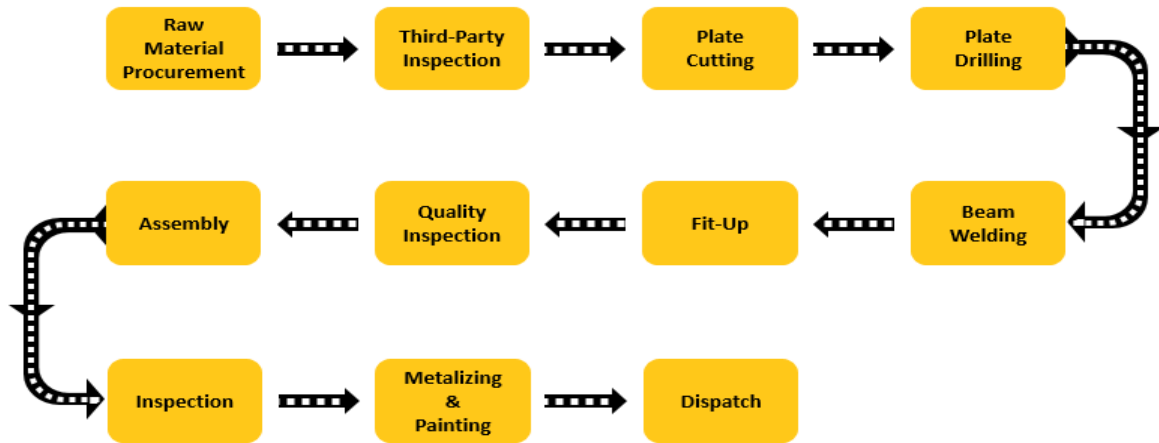
The steel girder business the process of fabricating, supplying, and occasionally installing steel girders, an integral structural element utilized in construction to bear loads, such as supporting beams in a bridge or framing in a building. Steel girders serve as essential horizontal supports, providing pivotal strength and stability to diverse structures. As per the Bihar logistics Policy 2023, government is more focused on developing the infrastructure and logistics including, Rail, Road, Waterways. Our company has established a dedicated Steel Girder unit in Purnea. Our Steel Girder fabrication unit at Purnea, Bihar, which is located in our stockyard spanning an extensive area of 88,280 square feet currently possess a fabrication capacity of 12,000 MT per annum.

Recognizing the surge in expansion projects within the railway sector, encompassing the construction of new railway bridges, overpasses, and various structures, our unit has obtained approval from the Research Designs and Standards Organization (RDSO). This approval positions us as the sole and inaugural vendor authorized by the Indian Railways in Bihar, underscoring our commitment to quality and compliance. The principal raw material for our steel girder manufacturing endeavors is HR Plate, emphasizing our dedication to utilizing high-quality materials in the production process.

**Fabrication Process of Steel Girder**

Our company has started commercial production of steel girder in July 2023, we are the RDSO approved sole and inaugural supplier of steel girder to Indian railways in Bihar which is used in construction of railway bridge. Currently we have 12,000 MT of installed capacity. Our raw material is also sourced from RDSO approved vendor on advance payment for procurement. We receive stage wise completion payment which is distributed as 60%, 30% and 10% on final dispatch.

### Fabrication Process of Steel Girder



The provided procedural framework defines the thorough stages integral to the fabrication of steel girders, with particular emphasis on aligning with the approval standards established by the Research Designs and Standards Organization (RDSO) and the Zonal railway teams. The following clarification provides a detailed breakdown of each step:

**a) Raw Material Procurement:**

Secure raw materials in accordance with the approval stipulations from the Research Designs and Standards Organization (RDSO) and the specific site conditions. Source raw materials in adherence to the sanctioned criteria established by RDSO and the project site requirements. Conduct incoming inspections to verify the quality of the delivered raw materials, ensuring observance to established standards and fulfilling the requisites of the project site.

**b) Third-Party Inspection:**

Adhere to third-party inspection requirements as mandated by RDSO. Submit samples of raw materials to external testing agencies in instances where RDSO necessitates it. Obtain endorsement from the Zonal railway team contingent upon the results of the third-party inspection before advancing to subsequent phases of the process.

**c) Plate Cutting:**

Execute precision cutting of HR plates in strict accordance with the approved designs stipulated by the RDSO. Employ CNC Plasma Cutting Machinery to precisely carry out the cutting of HR plates, adhering to the design specifications endorsed by RDSO.

**d) Plate Drilling:**

Incorporate apertures in both flange and web plates in accordance with the stipulated design requirements. Employ drilling techniques to create holes on the flange and web plates, aligning precisely with the design specifications, thus ensuring optimal assembly and alignment.

**e) Beam Welding:**

Conjoin and weld the structural elements to form the "I" section of the girder. Employ an automated Beam Assembler machine for the whole union of the bottom flange and web plates. Subsequently, assemble the top flange with the web plate to complete the configuration of the "I" section, followed by welding facilitated by an

automated welding machine. This process ensures both structural integrity and dimensional accuracy in the fabrication of the girder.

**f) Fit-up:**

Prepare the girder for supplementary components and verify alignment. Attach accessory plates to the "I" section and generate slot holes as necessary for integration with the purlins.

**g) Quality Inspection:**

Verify that the fabricated girder complies with established quality standards. Perform a comprehensive final inspection in accordance with fabrication drawings. In the event of rejection, initiate the necessary rework procedures. Upon successful quality assurance validation, proceed with the final finishing process.

**h) Assembly:**

Construct a full span of girders within the fabrication facility. Assemble a singular span of complete girders for internal inspection and quality assurance purposes.

**i) Inspection:**

Solicit final inspection approval from the Zonal Railway Engineering Team. Initiate an inspection request subsequent to the assembly. The Zonal Railway Team undertakes the final inspection. Following approval, dismantle the girders for subsequent processing.

**j) Metalizing & Painting:**

Execute surface finishing and apply a protective coating. Employ shot blasting for the refinement of the surface. Utilize aluminum metalizing wire for the process of metallization. Apply a primer coating, followed by the application of two coats of paint.

**k) Dispatch:**

Coordinate the preparation and shipment of the finalized products to the customer. Logistics Team organizes suitable vehicles based on the specified tonnage and destination requirements. Load the products onto the designated vehicles, taking into consideration safe truck load parameters and passing capacity. Accurately determine the weight of the loaded vehicle and generate invoices reflecting the loaded quantity of products.

**Revenue from Fabrication of PEB and Steel Girders:**

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Fabrication</b>				
<b>PEB*</b>				
Revenue (Rs in Lakhs)	538.56	1,118.47	98.76	-
As % of Total Revenue from Operations	0.36%	0.58%	0.05%	-
Unit Sold (in MT)	711	1,512	128	-
<b>Steel Girders**</b>				
Revenue (Rs in Lakhs)	-#	500.32	-	-
As % of Total Revenue from Operations	-#	0.26%	-	-
Unit Sold (in MT)	-#	604	-	-

\* PEB business commenced in November 2022

\*\*Steel Girders business commenced in July 2023,

#Since the delivery of orders has not been taken by the customer, company has not booked any revenue for the period ended December 2024.

Our fabrication facility is located at Mauza Rajiganj, Pragna Haveli, Thana Sadar No-67, near Matia Chowk, opposite Tata Motors Ranipatra, Purnea-854337, Bihar. The facility has an installed annual capacity of 12,000 metric tonnes each for the fabrication of Pre-Engineered Buildings and Steel Girders. It is equipped with machinery to meet customer requirements for fabricating steel girders and pre-engineered buildings. The fabrication facility is integrated with our stockyard, ensuring easy access to raw materials for product fabrication.

#### Our Facilities:

##### Stockyards/Fabrication Unit

Currently, our company operates Six stockyards in Bihar, which serve as central hubs for the storage and distribution of our steel products. The details of these facilities are as follows:

Location	Area (Sq. ft.)	Storage Capacity (in MT)
Mauza Rajiganj, Pragna Haveli, Thana Sadar no-67, Near Matia Chowk, Opposite Tata Motors Ranipatra, Purnea-854337 ( <i>Fabrication Unit and Stockyard</i> )	5,44,600	20,000
Old Stockyard, N.H. 30, P.O. Baikatpur, P.S. Khusrupur, Fatuha, Patna- 803202	1,47,936	10,000
New Stockyard, 200 Meter Ahead of BP Petrol Pump, N.H. 30, P.O. Baikatpur, P.S. Khusrupur, Patna -803202	2,14,853	20,000
8/1, Industrial Estate Road, Patliputra Patna, Patna-800013	16,485	3,000
Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002*	2,29,980	35,000
9c, Patliputra Industrial Area Patna- 800013 (Manufacturing Unit of PVC Pipe)	6,750	-
9c (part), Patliputra Industrial Area Patna-800013 (Manufacturing Unit of PVC Pipe)	8,250	-
Plot No. 2337, Khata No.258, Thana No.65, Mauza-Ahiyapur Lakhna, Tehsil & Block Punpun, Patna-804453	4,000	-

\*Stockyard become operational with effect from December 13, 2024

The following table provides information on the capacity utilization of our Fabrication/manufacturing facility, calculated based on total installed production capacity and actual production for the periods indicated below:

##### Capacity Utilization:

##### Capacity and utilization of Steel Girder

Period	Steel Girder		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	12,000	-	Nil
Fiscal 2024	12,000	2,525	21.04%

##### Capacity and utilization of Pre-Engineered Building

Period	Pre-Engineered Building		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	12,000	2,136	23.73%
Fiscal 2024	12,000	1,512	12.60%
Fiscal 2023	6,000	128	5.11%

##### Manufacturing Capacity of PVC Pipes

Period	PVC Pipes		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	800	59	7.38%
Fiscal 2024	800	138	17.25%

Period	PVC Pipes		
	Capacity (in MT)	Production (in MT)	Utilization (%)
Fiscal 2023	800	288	36.38%
Fiscal 2022	800	198	24.75%

#### **Manufacturing Capacity of Roll Forming (GP Sheet Blue Diamond)**

Period	Manufacturing – Roll Forming		
	Capacity (in MT)	Production (in MT)	Utilization (%)
December 31, 2024	3,000	97	4.31%
Fiscal 2024	3,000	1,090	36.33%
Fiscal 2023	3,000	1,530	50.99%
Fiscal 2022	3,000	175	23.33%

*As certified by M/s. Bhartia & Associates, Independent Chartered Engineers vide their certificate dated March 17, 2025.*

The information relating to the installed capacity of our Fabrication Facility, as included above and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates that have been considered by the Chartered Engineer for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the steel product industry after examining the calculations and explanations provided by us. The assumptions and estimates taken into account include the following: (i) Number of working days: 300; (ii) Batch per day is considered on 24 hours working of the plant per day for the fabrication facility at Purnea, Bihar

Actual production levels and utilization rates may vary from the capacity information of our Manufacturing Facility included in this Draft Red Herring Prospectus and undue reliance should not be placed on such information. Please see “Risk Factor-Under-utilization of our fabrication capacities may have an adverse effect on our business, future prospects and future financial performance.” on page 36 of this Draft Red Herring Prospectus.

#### **Following are the list of owned major machineries used across our stockyards and fabrication units**

Sr. No.	Particulars
1)	Hydraulic Mobile Crane
2)	Barbed & Chain Link Machine
3)	Electronic Weighing Machine
4)	TMT Cutting Machine
5)	Transformers
6)	Diesel Generators
7)	Welding Machine
8)	Conveyor Machine
9)	Gas Cutter Machine
10)	Drilling Machine
11)	Plasma Cutter Machine
12)	Color Coating Machine
13)	Roll forming Machine
14)	Weighing Machine
15)	Straightener Machine
16)	Roller Passing Steel Structure Shot Blasting Machine
17)	TMT Bending Machine



## **STRENGTHS**

### ***Experience of the promoters and established relationship with the principal supplier***

Our Company has maintained an exclusive distributorship of both long and flat products within the Primary Supplier since its inception, serving clientele of over 1,250 dealers and institutional buyers in Bihar. The Company's established market position is highlighted by a consistent growth in operational scale throughout the years. The experience and healthy associations of the promoters with the Primary Supplier are dignified to provide ongoing support to the business in the medium term.

Our promoters bring over a decade of dedicated experience in the industry. Leveraging their deep expertise, our company has successfully strengthened its presence in existing markets while expanding into new and untapped regions. Their industry insights have earned us multiple awards and recognitions. Supporting their leadership is a team of highly skilled professionals, each responsible for key functional areas. As of December 31, 2024, our workforce consists of 627 employees.

In addition to our Promoters, our Board of Directors comprises Independent Directors, each bringing a qualification from various fields such as accounting, taxation and legal. This collective expertise ensures a well-rounded approach to decision-making and governance. Simultaneously, our key managerial personnel have experience in finance, legal, secretarial and business development.

For a comprehensive overview of our Board and Key Managerial Personnel, refer to the "Our Management" section, on page 241.

### ***Relationship with established players in industry***

We serve a wide range of industries including Agriculture and Real Estate. Partnering with key players in these industries strengthens our position, enabling us to provide better services. Our diverse clientele not only shows our presence in various markets but also supports our growth and commitment to meeting customer needs. With strong industry relationships, we can improve our services and maintain our market position.

### ***Selling and Distribution network***

The company engages in the marketing, sales, and distribution of an extensive product portfolio to a wide customer base located in Bihar, India. Our marketing efforts are arranged through a dedicated sales and marketing team, supported by the expertise and experience of Promoter and Managing Director, Nitin Kishorepuria, who brings fifteen years of industry insight to the initiatives.

Our products are actively promoted and sold within the state of Bihar, and we have successfully established a sales network in the domestic markets. Employing a comprehensive marketing strategy, we adopt a dual approach involving direct engagement with our customers and collaboration with dealers. As of December 31, 2024, our marketing activities are supported by a team of 103 competent and dedicated employees, contributing to the effective execution of our marketing initiatives and the sustained growth of our market presence.

### ***Track record of consistent financial performance***

We have been delivering consistent financial performance. For the period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, our revenue from operations were ₹1,47,717.92 Lakhs, ₹1,93,819.63 lakhs, ₹2,01,509.72 lakhs and ₹1,56,358.80 lakhs, respectively.

The following table sets forth certain key financial performance indicators as of and for the periods indicated:

(₹ in lakhs except stated otherwise)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations <sup>1</sup>	1,47,717.92	1,93,819.63	2,01,509.72	1,56,358.80
Total Revenue <sup>2</sup>	1,48,042.65	1,94,203.15	2,01,812.23	1,56,643.75
EBITDA	6,310.13	7,255.66	6,784.59	6,414.71
EBIT	5,954.04	6,835.97	6,389.08	5,941.48
EBT	3,095.18	4,036.70	4,323.94	4,299.40
PAT	2,186.66	2,993.54	3,265.86	3,194.01
EBITDA Margin <sup>3</sup>	4.27%	3.74%	3.37%	4.10%
EBIT Margin <sup>4</sup>	4.02%	3.52%	3.17%	3.79%
EBT Margin <sup>5</sup>	2.09%	2.08%	2.14%	2.74%
PAT Margin <sup>6</sup>	1.48%	1.54%	1.62%	2.04%
Net Worth	20,850.81	18,670.81	15,647.70	12,431.62
Total Borrowing	44,072.17	39,529.66	28,358.44	16,328.59
Debt / Equity <sup>7</sup>	2.11	2.12	1.81	1.31
Interest Coverage Ratio <sup>8</sup>	2.08	2.44	3.09	3.62
RoE <sup>9</sup>	10.49%	16.03%	20.87%	25.69%
RoCE <sup>10</sup>	9.10%	11.68%	14.31%	20.17%
Net Debt / EBITDA <sup>11</sup>	6.93	5.39	4.18	2.44

### Explanation for Key Performance Indicators

1. Revenue from operations refers to revenue from sales of product and services and other operating income.
2. Total Revenue refers to Revenue from operations plus Other Income.
3. EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.
4. EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.
5. EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.
6. PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.
7. Debt / Equity ratio measures leverage of company, it is also a measure of capital structure that provides relative proportion of Shareholders equity and debt used to finance the assets of company.
8. Interest Coverage Ratio is used to measure the ability of company to make interest payments from its available earnings.
9. RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.
10. RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generates the returns against the capital it put to use.
11. Net Debt / EBITDA ratio is a financial leverage metric used to measure a company's ability to pay off its debt obligations with available earning. It is also used as proxy for payback period assuming the company operates at current level to become debt-free.

### Operational KPI

#### Product Wise Quantity Sold

Particulars	QT Y	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>Long Product</b>						
TMT (Thermo - Mechanically Treated) Reinforcement Bar	MT	1,54,256	2,06,100	1,99,446	1,52,423	1,48,359
Structura - Rectangular, Square and Circular Steel Hollow Sections	MT	10,812	9,437	6,094	5,419	5,978
Wire - Galvanized wires	MT	4,927	5,299	6,574	5,782	6,028
<b>Flat Product</b>						
GC Sheet - Galvanized Corrugated Sheets	MT	14,076	19,556	20,333	18,587	22,476
GP Sheet - Galvanized Sheets	MT	14,199	14,771	15,105	14,073	10,446

Particulars	QTY	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
HR Sheet - Hot Rolled Sheets & Coils	MT	11,811	15,215	14,240	11,766	15,186
GC Sheet - Colour Coated	MT	3,419	4,966	4,275	3,935	4,261
CR Sheet - Cold rolled Sheets & Coil	MT	4,311	5,567	6,180	3,388	2,234
<b>Other Steel Product</b>						
Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers	Pcs	5,35,010	2,04,939	5,72,268	6,35,511	9,79,736
Door - Residential & Commercial doors and windows	Pcs	5,436	6,562	8,317	5,759	3,442
<b>Distribution of Tractor Engine</b>	Pcs	151	276	411	569	1,452
<b>PVC Pipes</b>	MT	63	152	284	200	255
<b>Pre-Engineered Buildings</b>	MT	711	1,512	128	-	-
<b>Steel Girders</b>	MT	-	604	-	-	-
<b>Others</b>						
GP Sheet Blue Diamond	MT	97	254	367	175	-

#### Average Realisation Per Unit - Product Wise

Particulars	Unit	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Long Product</b>					
TMT (Thermo-Mechanically Treated) reinforcement Bar	₹ Per Ton	63,141.88	62,670.46	69,230.47	64,051.81
Structura - Rectangular, Square and Circular Steel Hollow Sections	₹ Per Ton	61,223.00	68,327.77	62,761.66	74,353.65
Wire - Galvanized wires	₹ Per Ton	79,528.73	81,573.89	84,287.57	71,697.42
<b>Flat Product</b>					
GC Sheet -Galvanized Corrugated Sheets	₹ Per Ton	87,625.92	89,697.41	89,696.97	90,076.26
GP Sheet - Galvanized Sheets	₹ Per Ton	68,613.39	74,099.39	75,810.87	85,112.96
HR Sheet - Hot Rolled Sheets & Coils	₹ Per Ton	51,400.94	56,541.93	59,168.88	66,075.43
GC Sheet - Colour Coated	₹ Per Ton	1,17,358.68	1,15,354.05	1,20,452.32	1,32,114.77
CR Sheet - Cold rolled Sheets & Coil	₹ Per Ton	62,630.25	66,254.89	70,888.36	78,282.97
<b>Other Steel Product</b>					
Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers	₹ Per Pcs	246.83	732.15	196.08	174.60
Door - Residential & Commercial doors and windows	₹ Per Pcs	19,126.61	17,619.65	17,615.33	17,362.89
<b>Distribution of Tractor Engine</b>	₹ Per Pcs	6,58,508.68	6,24,674.26	609,799.32	5,69,586.16
<b>PVC Pipes</b>	₹ Per Ton	1,04,487.78	1,05,098.72	1,20,342.18	1,20,539.68
<b>Pre-Engineered Buildings</b>	₹ Per Ton	75,711.73	73,974.88	77,343.46	-
<b>Steel Girders</b>	₹ Per Ton	-	82,819.77	-	-
<b>Others</b>					
GP Sheet Blue Diamond	₹ Per Ton	98,223.25	1,02,784.94	1,03,911.99	1,04,360.14

#### No. of Dealers:

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No of Dealers	1,279	1,251	1,122	967

## Product/Segment Wise Revenue

(figures in lakhs except stated otherwise)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Distribution of Steel Product</b>				
Revenue	1,45,157.75	1,89,097.38	1,97,675.80	1,52,259.68
As % of Revenue from Operations	98.27%	97.56%	98.10%	97.38%
<b>Distribution of Tractor Engine</b>				
Revenue	994.35	1,724.10	2,506.28	3,240.95
As % of Revenue from Operations	0.67%	0.89%	1.24%	2.07%
<b>Manufacturing</b>				
<b>PVC Pipes</b>				
Revenue	65.47	159.52	341.31	241.53
As % of Revenue from Operations	0.04%	0.08%	0.17%	0.15%
<b>Fabrication</b>				
<b>Pre-Engineered Buildings (PEB)</b>				
Revenue	538.56	1,118.47	98.76	-
As % of Revenue from Operations	0.36%	0.58%	0.05%	-
<b>Steel Girders</b>				
Revenue	-	500.32	-	-
As % of Revenue from Operations	0.00%	0.26%	0.00%	0.00%
<b>Others</b>	961.79	1,219.84	887.57	616.64
As % of Revenue from Operations	0.65%	0.63%	0.44%	0.39%
<b>Total</b>	<b>1,47,717.92</b>	<b>1,93,819.63</b>	<b>2,01,509.72</b>	<b>1,56,358.80</b>

## Revenue from Dealers

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Dealers (₹ in Lakhs)	1,46,738.63	1,93,247.02	1,99,955.86	1,54,894.77
As % of Revenue from Operations	99.34%	99.70%	99.23%	99.06%

## Operational matrix of PVC

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capacity (in MT)	800	800	800	800
Production (in MT)	59	138	291	198
Utilisation (%)	7.38%	17.29%	36.38%	24.75%
Sales (in MT)	63	152	284	200
Sales in (Rs lakhs)	65.47	159.52	341.31	241.53
Total Cost	94.70	219.26	376.75	297.03
EBITDA (Rs lakhs)	(14.31)	(43.78)	(20.05)	(40.34)

## Operational matrix of PEB

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Capacity (in MT)	12,000	12,000.00	6,000.00
Production (in MT)	2,136	1512	128
Utilisation (%)	23.73	12.60	5.11
Sales (in MT)	711	1512	128

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023
Conversion in MT	1,425	-	-
Sales in (Rs lakhs)	538.56	1,118.47	98.76
Conversion (Rs in Lakh)	313.44	-	-
Total Cost	709.28	971.15	79.38
EBITDA (Rs in Lakhs)	142.72	147.32	19.38

Note: Steel Girders business commenced in November 2022

#### Operational matrix of Steel Girders

Particulars	April to December 2024	Fiscal 2024
Capacity (in MT)	12,000	12,000.00
Production (in MT)	Nil	2,524.64
Utilisation (%)	Nil	28.06%
Sales (in MT)	Nil	604
Conversion Sales (in MT)	Nil	1389
Sales in (₹ in lakhs)	Nil	500.32
Conversion Sales in (₹ in lakhs)	Nil	316.35
Total Cost	Nil	704.93
EBITDA (₹ in Lakhs)	Nil	111.74

Note: Steel Girders business commenced in July 2023

#### Market Position

According to CRISIL Report Our Company has contributed approximately ~19% of TMT bars market in the state of Bihar as of Fiscal 2024. The remaining~81% (~0.87 MTPA) is occupied by distributors of other brands such as Kamdhenu, Balmukund, Captain, etc. (Source: CRISIL Report)

Our Company has a strong market leadership position in the trading of TMT Bars and other allied steel products in the industry. It has helped the company to rapidly scale successes. Achieving market leadership in the industry requires a combination of factors such as innovation, quality, customer service, competitive pricing, and effective marketing. One of the key drivers of market leadership in the industry is the ability to innovate and offer unique and superior products and services. Innovation can be achieved by investing in research and development to develop new technologies, products, and services that meet the changing needs of customers. Quality is also critical for companies seeking to establish market leadership. Customers demand high-quality products and services that are reliable and meet their expectations. Our Company invest in quality control measures and processes to ensure that products meet or exceed customer expectations. Another important factor for market leadership in the Steel industry is providing excellent customer service. This includes providing timely and responsive customer support, ensuring quick turnaround times, and offering customized solutions to meet customer needs.

#### Market Recognition

Our Company being into the field for more around 3 decades and a strong Promoters having experience of more than 2 decades, have strong Market recognition in the Steel industry. In the Steel industry, strong market recognition refers to a company's ability to establish a strong brand reputation and customer loyalty in the market. This recognition is achieved through various factors such as product quality, innovation, reliability, customer service, and effective marketing. Strong market recognition is important in the industry as it helps companies to differentiate themselves from their competitors and attract new customers. It also helps to create a positive perception of the company and its products in the minds of existing and potential customers, which can lead to increased sales and revenue.

The table set forth below are contribution of our top 5 and 10 customers/Dealers towards our revenue from operation:

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Top 5 customers (₹ in Lakhs)	11,174.94	12,368.55	13,174.65	10,898.82
As % of Revenue from Operation	7.56%	6.38%	6.54%	6.97%
Top 10 Customer (₹ in Lakhs)	17,980.56	19,976.66	22,572.02	17,863.30
As % of Revenue from Operation	12.18%	10.30%	11.20%	11.40%

## STRATEGIES

### *Increase in distribution of Steel Products in Bihar*

The Company intends to increase the size of its distribution, where it maintains an advantage as a sole distributor of Primary Supplier in the state of Bihar, by increasing the distribution network and reaching other districts of Bihar as presently the Company is catering in 29 districts out of 38 districts in the state of Bihar.

The Company expects continued growth in steel products demand in India, Steel demand in Bihar grew at a CAGR of 8.3% over fiscals 2018-23 to 1.7 million tonne because of a strong post-pandemic recovery in infrastructure and house construction sectors. In fiscal 2024, Bihar's steel demand stood at 1.5 million tonnes, an on-year decline in growth of 8.6%, because of poor sales of steel products and a decline in overall construction activity due to extreme weather conditions. Demand is expected to grow at a steady CAGR of 8.5-9.5% to 2.1-2.2 million tonne per annum over fiscals 2024-28, driven by increased focus on infrastructure development in the state in view of the Central government's schemes, such as PM Gati Shakti for eastern regions and Pradhan Mantri Gram Sadak Yojana.

For further details refer “*Industry Overview*” on page 148.

Demand for TMT reinforcement bars is expected to increase at a CAGR of 8.5-9.5% over fiscals 2024-28. The expected improvement in infrastructure development in light of various government schemes, such as PM Gati Shakti for easter regions, Pradhan Mantri Gram Sadak Yojana, and Bharatmala, is likely to be the major driver of growth in the segment.

For further details please refer “*Our Industry*” on page 148.

## Achieving Economies of Scale

The company has expanded its operations into the fabrication of Pre-Engineered Steel Buildings and Steel Girders. This move positions us favorably in terms of sourcing primary raw materials, which will be readily available at a cost-effective price. Leveraging our core business as the distributor of Steel Products, integral to the production of Pre-Engineered Steel Buildings and Steel Girders, affords us a advantage in the procurement of raw materials and facilitates the realization of economies of scale. This arrangement is controlled to enhance our overall operational efficiency and competitiveness in the market.

## Inventory Management

We have a storage area for stock and finished goods and based on customer requirements the products and quantities are supplied in order to optimize the inventory. There is a daily stock report of both finished goods and raw materials that indicates the inventory levels and any deviation from minimum stock levels is flagged for action. Care is taken to strictly follow the inventory levels and balance it with market trends, customer requirements and sales projections.

## Pricing

All product grades pricing is event based, depending on the raw material pricing, demand/supply and market trends. We have a pricing policy offering volume discounts and other incentives to customers on the basis of volume of business provided by them to our Company.

## Quality Process

### *Distribution Segment*



A process for conducting quality checks and controls to ensure that all materials in distribution meet standards is performed. The process includes three main inspections: visual inspection for rust, assessment for moisture and discoloration, and evaluation of finishing quality. Each inspection involves specific procedures such as visual examinations and documentation of findings, followed by communication with Primary Supplier regarding any issues identified and necessary actions requested. Additionally, documentation and follow-up procedures are emphasized to track responses and ensure timely resolution of reported issues. By consistently applying this quality check and control process, the aim is to uphold product integrity, customer satisfaction, and compliance with industry standards.

### *Manufacturing of PVC Pipes*



The Quality Check and Control Process for PVC Pipe Production consists of two primary phases: initial inspection by operators during production and subsequent laboratory testing conducted 24 hours later. Throughout production, operators examine the pipes for surface imperfections such as cracks, blisters, and discoloration, while also verifying consistent thickness, outer diameter, and length. Following this, a laboratory assessment is carried out by the Lab in charge, encompassing an examination for any delayed defects, coupled with measurements of thickness, outer and internal diameters, density, and tensile strength. Furthermore, tests to evaluate the pipe's resistance to external impact at low temperatures and Vicat softening temperature are conducted to ensure its durability and performance across various conditions. By adhering to these procedures, the objective is to ensure that PVC pipes meet and quality standards before they are utilized.

### *Fabrication of Steel Girder and Pre-Engineered Building*



The quality control process for the fabrication involves several key stages, each with specific activities and responsibilities. Initially, upon the arrival of incoming materials, the Stores department verifies test certificates against purchase orders to ensure alignment. In the Cutting Plan stage, production verifies material grade against fabrication drawings and ensures the accuracy of the nesting plan to minimize wastage, while Quality Assurance (QA) checks dimensions post-cutting. During Fit-up, production ensures that slit web and flanges align with fabrication drawings, and QA conducts dimensional inspections. In the Welding stage, production verifies welding thickness and form against fabrication drawings, with QA checking the welding process. Painting involves thorough blasting per standard operating procedures (SOP), mixing and application of primer as recommended, followed by painting after the recommended curing period, with QA verifying film thickness density to meet customer requirements. Finally, in Pre-delivery inspection, QA ensures key checkpoints are verified before loading, including project name, delivery location, loading plan, part-marking, and overall painting finish. This structured process ensures quality adherence throughout production, safeguarding against defects and ensuring customer satisfaction.

## Logistics

Our raw materials and finished products are primarily transported by road and/or railways. Our primary suppliers deliver raw materials and steel products directly to our facility according to the terms of our orders. We have an in-house logistic facility to supply the product to our Dealers (customers).. Additionally, we have third-party logistics providers when needed to ensure efficient delivery.

## Utilities

Our business operations require use of power. The power requirement for our Purnea Fabrication Facility and Stockyard is sourced from North Bihar Power Distribution Company Limited and for our Patna Stockyards from South Bihar Power Distribution Company Limited. Our fabrication processes require uninterrupted supply of power in order to ensure that we are able to make quality products. To ensure uninterrupted supply of power we have also installed back-up diesel generators at our fabrication facility.



Our Company also harnesses solar power through installing panels across its facilities, reducing reliance on conventional energy and lowering its carbon footprint. Photovoltaic cells efficiently convert sunlight into electricity, powering various operations. The company has collaborated with the local electricity board i.e. North Bihar Power Distribution Company Limited and South Bihar Power Distribution Company Limited, utilizing grid-tied systems for electricity exchange. Excess solar energy is fed back into the grid, and net metering arrangements allow for credits to offset grid electricity consumption during low solar generation, leading to cost savings and optimized energy use.

### **Technical Collaborations**

Our Company does not have any technical collaborations as on the date of this Draft Red Herring Prospectus.

### **Marketing and Sales Management**

The responsibility for overseeing the functions of sales and marketing is entrusted to our Managing Director, Nitin Kishorepuria. His leadership is complemented by a proficient team of marketing professionals who actively engage with Dealers to foster and maintain strong relationships. Our approach to product marketing involves enhancing market competitiveness through cost reduction in overall marketing and the expansion of our distribution network.

Our product portfolio is marketed and sold within the state of Bihar, where we have successfully established a sales network. Our marketing strategy employs a dual approach: direct engagement with customers and collaboration with selling agents/dealers. Presently, our marketing team consists of 103 dedicated employees, collectively working towards advancing our market presence and ensuring sustained business growth.

The company has 4 Business Managers for TMT and 3 Business Manager for Door and 1 each for GC, Color Sheet, Wire, Agrico, and Structure and 1 Business Manager is for CR, GP and GP Sheet we have 55 ASO and 19 CSE who deals directly with the dealers. We also have 19 Customer Service Engineer who report to the Business Managers. All ASO & CSE report to the Business Managers. The Customer Service Engineer provides insights on technical factors of our product portfolio to the dealers which helps them in marketing the products.

### **Information technology**

Appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods and orders from dealers. We utilize accounting and Tally software which covers sales, purchase, inventory and financial reporting, across our office and our facilities.

### **Dealers (Customers)**

We are supplying our products to dealers of steel product, Tractor engine & Spare Parts, Roll Forming and PVC and we have established trust and long-standing relations with our Dealers.

### **Competition**

We compete with different companies as well as local dealers depending on the market and type of products. We compete with steel and steel product distribution companies and smaller regionally based competitors. Some of our competitors are larger than us and have greater financial, manufacturing, R&D and other resources. Consequently, our competitors may possess wider product ranges, larger sales teams, greater intellectual property resources and broader appeal across various divisions. Our key competitors include Shiv Aum Steels Limited (Source: CRSIL Report)

### **Health and Safety**

Our activities are subject to environmental laws and various regulations which govern, among other matters, the storage and handling of raw materials and finished goods. For further information, please refer to the chapter titled “Key Industry Regulations and Policies” beginning on page 227 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

## Insurance

Our Company has purchased insurance policies in order to manage the risk of losses from potentially harmful events, including: (i) insurance policy covering fire, damage to buildings, plant and machinery (raw materials and finished goods); (ii) policy covering damage to stocks at our stockyards. The said insurance policies are renewed periodically to ensure that the coverage is adequate. Insurance covers both manufacturing facility and stockyards.

## Human Resources

As on December 31, 2024, we have an employee base of 627 employees.

The following table sets forth a breakdown of our employees by function:

Sr. No.	Department	No. of Employees
1.	Accounting And Finance	25
2.	Admin	3
3.	Driver	9
4.	Housekeeping	34
5.	HR And Admin	5
6.	Operation	124
7.	Production	84
8.	Sales and Marketing	103
9.	Labour	240
Total		627

## Intellectual Property

As of the date of this Draft Red Herring Prospectus, our Company does not have any registered trademarks.

## Corporate Social Responsibility

The CSR Committee was established through a resolution passed by our Board on April 01, 2024, aligning with the provisions outlined in Section 135 of the Companies Act, 2013.

Consequently, we have embraced a Corporate Social Responsibility ("CSR") policy that conforms to the stipulations of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government and amended periodically. This policy delineates the company's dedication and methodology toward Corporate Social Responsibility, emphasizing the ethos of 'Giving Back to Society'

This financial commitment encompasses contributions directed toward Promoting Health Care, Promoting Education, Employment enhancing vocational skills and related endeavors.

Our CSR expenditure for the period ended December 31, 2024 and for Fiscals 2024, 2023 and 2022, is as follows:

(₹ in Lakhs)				
Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
CSR expenditure	34.23	50.22	44.06	75.11
CSR expenditure as a percentage of our total revenue from operations (%)	0.02%	0.03%	0.02%	0.05%

## Properties

Registered Office, Stockyard and Fabrication Facilities:

Location	Area	Date of agreement	Rent / Consideration	Tenure	Status	Purpose
1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004 <sup>(1)</sup>	5,700 Sq. Ft.	October 01, 2021	₹2,25,000 p.m.	Five Years	Lease	Registered Office
Mauza Rajiganj, Pragna Haveli, Thana Sadar no-67,near Matia Chowk, Opp. Tata Motors Ranipatra, Purnea- 854337 <sup>(2)</sup>	5,44,600 Sq. Ft.	April,06, 2016	₹3,00,000 p.m.	Thirty Five Years	Lease	Stockyard and Manufacturing and Fabrication Unit
Old stockyard, N.H. 30, P.O. Baikatpur, p.s. Khusrupur, Fatuha, Patna-803202 <sup>(3)</sup>	1,47,936 Sq. Ft.	April,01, 2022	₹10,33,571 p.m.	Five Years	Lease	Stockyard
New stockyard, 200 mtr ahead of BP petrol pump, N.H. 30, P.O. Baikatpur, P.S. Khusrupur, Patna-803202 <sup>(4)</sup>	2,14,853 Sq. Ft.	April,01, 2022	₹16,15,775 p.m.	Five Years	Lease	Stockyard
8/1, Industrial Estate Road, Patliputra Patna, Patna-800013 <sup>(5)</sup>	16,485 Sq. Ft.	May,25, 2004	₹3,82,755 Premium (one time)	Ninety Years	Lease	Cutter Plant of GP Sheet
9c, Patliputra Industrial Area Patna- 800013 <sup>(6)</sup>	6,750 Sq. Ft.	May, 22, 2000	₹1,13,584 Premium (one time)	Ninety Years	Lease	Manufacturing of PVC Pipes
9c (part), Patliputra Industrial Area Patna-800013 <sup>(7)</sup>	8,250 Sq. Ft.	September,9 2015	₹2,10,00,000 Premium (one time)	Seventy Four Years	Lease	Manufacturing of PVC Pipes
Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002 <sup>(8)</sup>	2,29,980 Sq.Ft.	November 01,2022	₹9,19,920 pm	Eleven months <sup>#</sup>	Lease	Stockyard
Plot No. 2337, Khata No.258, Thana No.65, Mauza-Ahiyapur Lakhna, Tehsil & Block Punpun, Patna-804453 <sup>(9)</sup>	4,000 Sq. Ft.	May 01, 2023	₹20,000 pm	24 Months	Lease	Stockyard
L R Dag No. 6088, 6089, 6099, 6100, Khatian No. 6332, JL No. 20, Utsav Park, Plot No. UTA02006, Mouza, Kolorah, P.S.Damjur, Howrah, West Bengal-711302	58,080 Sq. Ft.	December 17, 2024	11,42,272.83 pm	36 Months	Owned	Given on Rent <sup>(10)</sup>

(1) Taken on lease basis from Amrapali Films Limited

(2) Taken on lease basis from Jagdamba Value Steels Private Limited

(3) Taken on lease basis from Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria, Nitin Kishorepuria and Rachna Kishorepuria (Individual Promoter of our Company)

(4) Taken on lease basis from Bijay Kumar Kishorepuria

(5) Taken on lease basis from Bihar Industrial Area Development Authority

(6) Taken on lease basis from Bihar Industrial Area Development Authority

(7) Taken on lease basis from Bihar Industrial Area Development Authority

(8) Taken on Rent from Jai Basulinath Traders Private Limited

(9) Taken on Rent from M/s. Mauriya Construction

(10) Given on Rent to Vasu Logistics Limited

<sup>#</sup>Agreement is effective from October 01, 2024

#### **In addition to the above, our company also owns freehold land, the details of which are provided below:**

- (1) As on date our company possesses freehold land situated at Mauja Vishwapur, Pargana Haweli, under the jurisdiction of Police Station Dagarua (288) in District Purnea. The total land area measures 719.003 Katha, which is equivalent to 14.45 Acre. This property is legally owned by the company, free from any lease or encumbrance, ensuring complete ownership rights.
- (2) As on date our company possesses freehold land situated at Mauja-Gandwas/Belgachhi, Pargana Haweli, PS-Dagarua (333/334) Dist-Purnea. The total land area measures 1,830.159 Katha, which is equivalent to 38.43 Acre. This property is legally owned by the company, free from any lease or encumbrance, ensuring complete ownership rights.
- (3) As on date our company possesses freehold land situated at Grampanchayat, Dadpur, Mauja-Hanral PS-Dadpur, Dist-Hoogly-712302. The total land area measures 720.36 Katha, which is equivalent to 11.89 Acre. This property is legally owned by the company, free from any lease or encumbrance, ensuring complete ownership rights.

## KEY REGULATIONS AND POLICIES

*The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company and our Subsidiaries. The information of laws and regulations available in this section has been obtained from publications available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.*

*Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Subsidiaries are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 369.*

The following is an overview of some of the important laws and regulations, which are relevant to the business of our Company and Subsidiaries.

### **A. Industry Related Laws and Regulations**

#### ***National Steel Policy, 2017 (“NSP 2017”)***

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. MSME steel producers, CPSEs and encourage adequate capacity additions; (ii) Development of globally competitive steel manufacturing capabilities; (iii) Cost-efficient production and domestic availability of iron ore, coking coal and natural gas; (iv) Facilitate investment in overseas asset acquisitions of raw materials; and (v) Enhance domestic steel demand. 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. The NSP 2017 covers, inter alia, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, Ferro-alloys, land, water, power, infrastructure and logistics, and environmental management.

#### ***Steel and Steel Products (Quality Control) Order, 2020 (“Quality Control Order”)***

The Quality Control Order was notified by Ministry of Steel and published in Official Gazette of India on May 27, 2020 in supersession of the earlier issued Steel and Steel Products (Quality Control) Order, 2018 and its amendments thereto. The Quality Control Order provides that every steel and steel products shall bear a standard mark under the license given by Bureau of Indian Standards (the “BIS”). Also, the BIS shall be the certifying and enforcing authority in respect of steel and steel products. Further, the Quality Control Order provides schedule of Indian Standards to be followed with respect of various steel and steel products.

#### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to

make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific **provisions** applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test center.

### ***Shops and Establishments Legislations***

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters **listed** in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Bihar Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 1953 (“Act”)***

The Act is applicable to all the shops and commercial establishments in the areas notified by the Government of Bihar. The **Act** was enacted for the purpose of protecting the rights of employees and also provides for the regulations of the payment of wages, terms of services, work hours, rest intervals, overtime work, opening and closing hours, closed days, holidays, leaves, maternity leave and benefits, work conditions, rules for employment of children, records maintenance, etc.

### ***Bihar Tax on Professions, Trades, Callings & Employment Rules, 2011 (“Act”)***

The Act provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes as segregated in the Act, shall be liable to pay to the State Government the tax at the rate mentioned against the class of such person. The tax payable under this Act by any person earning a salary or wage, shall **be** deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. The Act mandates that every person, who is liable to pay tax, shall obtain a Certificate of Registration, and a Certificate of Enrolment from prescribed authority in prescribed manner.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “**T.P. Act**”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles **relating** to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides

for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

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

The Sale of Goods Act, 1930 (the “Sale of Goods Act”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

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

The Registration Act, 1908 (the “Act”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or **renting** an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

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

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “Act”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

## ***B. TAX RELATED LAWS***

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

## ***C. ENVIRONMENT RELATED LAWS***

### ***The Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) 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, using of any new or altered outlet for the discharge of sewage or causing 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.

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

The Air (Prevention and Control of Pollution) Act, 1981 (“**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 4 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.

### ***D. INTELLECTUAL PROPERTY LAWS***

#### ***Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment) Act, 2010 has been enacted by the Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

### ***E. FOREIGN TRADE RELATED LAWS***

#### ***Foreign Trade (Development and Regulation) Act, 1992, as amended (“Foreign Trade Act”).***

The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorized to periodically formulate the Indian Foreign Trade Policy, 2015-20 (“**Foreign Trade Policy**”) and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code (IEC) number unless such person or company is specifically exempted. The IEC shall be valid until it is cancelled by the issuing authority.

#### ***The Foreign Exchange Management Act, 1999 (“FEMA”) and regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval



for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian companies as laid out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 4 (2020 Series), dated October 15, 2020 issued by the DPIIT, all investments 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, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy.

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) 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 as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

#### ***F. EMPLOYMENT RELATED LAWS***

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws has been provided below:

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four 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. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

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

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹100,000 or both, and in

case of continuing contravention even after conviction, with a fine of up to ₹1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹25,000 and ₹5,000 respectively.

### ***Bihar Factories Rules, 1950***

The Factories Rules were notified by the State of Bihar within the framework of the Factories Act, 1948 which is a social legislation that has been enacted for the occupational safety, health, and welfare of workers at work place. As per the Factories Rules an application for obtaining prior permission for the site on which the factory is to be situated and for the construction or extension of a factory shall be made to the Chief Inspector of Factories which shall grant the license with terms and conditions after being satisfied that there is no objection to the same.

### ***Bihar Fire Service Act, 1948 (the “Act”)***

The Act requires the owner or occupier of any building of any or all categories to make or carry out such arrangements as may be necessary for fire prevention and fire safety in that area. Further, the Act also provides for the punishment to any person or agency which causes obstruction of fire brigade from drawing water for fire-fighting purposes from any reservoir or source located in any premises.

### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the “Act”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘*Scheduled Industries*’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees’ (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

### ***Employees State Insurance Act, 1948, as amended (the “ESIC Act”)***

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

***Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “EPF Act”)***

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

***G. GENERAL CORPORATE AND OTHER ALLIED LAWS***

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Consumer Protection Act, 1986, Anti-Trust law such as Competition Act, 2002 and corporate Acts viz, Companies Act, 2013 are also applicable to the Company.

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## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated as “BMW Ventures Limited” at Patna, Bihar on October 07, 1994, as a Public Limited Company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bihar, Patna, bearing Corporate Identification Number U25111BR1994PLC006131 and Certificate of Commencement of Business was issued on October 19, 1994 at Patna

### Changes in our Registered Office

Except as stated below, our Company has not changed its registered office address since the date of incorporation:

Effective Date	Details of change	Reasons for change
April 01, 2019	The Registered office of our Company was changed from 112, Triveni Apartments, East Boring, Canal Road, P.S. Boring Canal Road, Patna-800001, to present office at 1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004.	The registered office of the Company has been shifted to present office due to administrative convenience.

### Main objects of our Company

The main objects contained in our MoA are as follows:

1. To acquire the business of Bijay Metal Works a proprietorship firm at Patna either in part or in whole as a going concern from its present owner Sri B. K. Kishorepuria as well as to undertake all rights, title and interest in the assets including goodwill and all long term and short term liabilities of the concern.
2. To carry on the business of hire purchase finance, trading, lease operations of all kinds, to accept & take loans & to invest hold, acquire underwrite sell or otherwise deal in shares, stocks debentures, bonds negotiable instruments & to act as stock & share brokers, Sub-brokers, underwriters, merchant bankers, share registrars, Advisors, manager to public issue & to take membership of Stock Exchange in India & abroad, subject to the provisions of SEBI act 1992 & rules framed thereunder securities & contracts regulations Act, 1956 & rules framed thereunder & also subject to the rules & bye laws of the Exchange to the extent it is applicable.
3. To establish and carry on the business of marketing advertising, underwriting and to act as traders, agents, commission agents, business representative, indenters, Depot holders handling agent's transporters and packing agents, consigned agents, stockiest, distributors, liaison work, organizers, decorators, warehousing, exporters, importers clearing and forwarding agents, coal lifters and coal handling agents.
4. To carry on the business of manufacturers, processors, refiners, smelters makers, rerollers, converters, finishers, importers, exporters agents, merchants, buyers, sellers and dealers in all kinds and forms of chemicals, alcohol, steels, iron and other metal and alloys, all kinds of goods, products, articles or merchandise whatsoever manufactured wholly or partly from steel & other metals and alloys.
5. To carry on business of importers, exporters, manufacturers, purchaser, supplier, producers, processors, agents, representatives and dealers in High Density Polyethylene (HDPE) and Low Density Polyethylene (LDPE) pipes, Polyethylene Chloride (PVC) Resins, P.V.C. pipes fittings, polythene, P.V.C. polyester strips, plastics powder, moulded household articles, tubing, and all other auxiliary plastics products.
6. To carry on the business of general logistic service provider and to carry, collect, store, consign, distribute, transfer and deliver goods, wares, post, merchandise, parcels, packages, baggage, freight, animals, livestock, timber, coal, oil, ores and other minerals and other property of every description by any mode of transportation, and generally for such purposes to acquire, manage and operate warehouses, and bonded warehouses, act as agents for shippers and consigners, and to issue warehouse warrants and receipts and bills of lading.

7. To carry on business of contractors, Builders, Town planners, Infrastructure developers, Estate developers and Engineers land developers, Land Scrapers, estate agents, and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis theatres, cinema halls, or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad and to carry on the business of consultants builders and developers of land contractors, colonizers, civil contractors and undertake any residential, commercial or Industrial, construction either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual firm, body corporate, association or society, Central or State Government, Cantonment board or any local authority to work as colonizer, developer of land and farm houses and buildings for residential purposes.

The main objects clause and matters necessary for furtherance of the main objects, as contained in our Memorandum of Association, enable our Company to carry on the business presently being carried out.

#### **Amendments to our Memorandum of Association**

The following table set forth details of the amendments to our Memorandum of Association in the last 10 (Ten) years:

<b>Date of Shareholders' resolution</b>	<b>Details of the amendments</b>
September 30, 2016	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹10 each to ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹10 each.
October 28, 2016	<p>Addition of the following sub-clauses in Clause III of the MoA of our Company:  <i>Addition of sub-clause 5 to 9 in Clause III(A) of MoA as under:</i></p> <p>5. To carry on the business of running lorries, cranes, trucks, and all kinds of moped vehicles and as general carriers. Forwarding agents, handling and haulage contractors garage proprietors, cargos superintendent, warehousemen and common carries by land, rail and water to carry and handle goods, and passengers within and outside India.</p> <p>6. To carry on the business of software consultants, to design and implement internet clients, to design and develop programmes with documentation, materials, samples, files, do design and develop system analysis and design work processing, accounting graphics 2-D, 3-D, animations, cartoon films, business presentations, information kiosks, image processing, and morphing, CAD and CAM applications for problems relating to the technical operations, administration, finance, business and other aspects of industry or purchasing techniques, production, sales material or cost control, marketing advertisement publicity personnel accounting for any other activity for institutions concerns bodies and associations and to be appointed as computer software system or design consultant for any business, commercial Government or semi-government organizations and to carry on any other information technology enabled service.</p> <p>7. To carry on the business of millers in all its branches and to set up mills for milling wheat, paddy, gram, other grains and cereals, dal, besan, maida, atta, suji and other allied products, and to manufacture any by-products, and to manufacture food products; such as biscuits, flakes, dalia and confectionery from flours of all kinds and description and to set up factories or mills for the manufacture thereof.</p> <p>8. To carry on the business of millers, storage in all its branches and to set up cold storage, mills for milling &amp; storage of wheat, gram, other grains and cereals, dal, basin, maida, atta, suji, Potatoes and other allied products, and to manufactures any</p>



Date of Shareholders' resolution	Details of the amendments
	<p>by-products; and to manufactures food products; such as biscuits flakes, dalia and confectionery from flours of all kinds and description and set up factories or mills for the manufacture thereof.</p> <p>9. To carry on the business as manufacturers, processors, importers, exporters and dealers in all kind of plastic and plastic goods, polyester products, PVC products, HDPE products, pipe, tube and water storage tank products, fittings by products and moulded goods of all kinds.</p>
February 01, 2018	<p>Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of face value of ₹10 each to ₹25,00,00,000 divided into 2,50,00,000 Equity Shares of face value of ₹10 each.</p> <p>New set of Memorandum of Association have been adopted to align with the provisions of the Companies Act, 2013.</p> <p>Change in object clause:</p> <p><i>Clause III of the MoA of our Company be and is hereby altered by substituting the existing sub-clauses with the following:</i></p> <p>To replace sub-clause 5 to 7 of Clause III(A) of MoA as under:</p> <p>5. To carry on business of importers, exporters, manufacturers, purchaser, supplier, producers, processors, agents, representatives and dealers in High Density Polythylene (HDPE) and Low Density Polythylene (LDPE) pipes, Polyvinyl chloride (PVC) Resins, P.V.C. pipes fittings, polythene, P.V.C. polyester strips, plastics powder, moulded household articles, tubing, and all other auxiliary plastics products.</p> <p>6. To carry on the business of general logistic service provider and to carry, collect, store, consign, distribute, transfer and deliver goods, wares, post, merchandise, parcels, packages, baggage, freight, animals, livestock, timber, coal, oil, ores and other minerals and other property of every description by any mode of transportation, and generally for such purposes to acquire, manage and operate warehouses, and bonded warehouses, act as agents for shippers and consigners, and to issue warehouse warrants and receipts and bills of lading.</p> <p>7. To carry on business of contractors, Builders, Town planners, Infrastructure developers, Estate developers and Engineers land developers, Land Scapers, estate agents, and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis theatres, cinema halls, or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad and to carry on the business of consultants builders and developers of land contractors, colonizers, civil contractors and undertake any residential, commercial or Industrial, construction either independently or jointly in partnership, joint venture or on agency or sub contracts basis with or on behalf of any individual firm, body corporate, association or society, Central or State Government, Cantonment board or any local authority to work as colonizer, developer of land and farm houses and buildings for residential purposes.</p>
January 04, 2022	<p>Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹25,00,00,000 divided into 2,50,00,000 Equity Shares of face value of ₹10 each to ₹40,00,00,000 divided into 4,00,00,000 Equity Shares of face value of ₹10 each.</p>



Date of Shareholders' resolution	Details of the amendments
August 06, 2022	<p>Clause V of the Memorandum of Association of our Company was amended to reflect the change in authorized share capital of our Company from ₹40,00,00,000 divided into 4,00,00,000 Equity Shares of face value of ₹10 each to ₹40,00,00,000 divided into 40,00,00,000 Equity Shares of face value of ₹1 each on account of split of Equity Shares.</p> <p>Alteration in object clause of the company by inserting new object after existing object clause III (A) (12) and it will read as object clause III (A) (13)</p> <p>To carry on process like metal printing, metal anodizing, electro-plating, chemical treatment, pre shed fabricating, and lacquering in respect of products dealt with by the Company.</p>
September 30, 2023	Clause V of the Memorandum of Association of our Company was amended to reflect the change in authorized share capital of our Company from ₹40,00,00,000 divided into 40,00,00,000 Equity Shares of face value of ₹1 each to ₹4,00,00,000 divided into Equity Shares of face value of ₹10 each on account of consolidation of Equity Shares.
February 07, 2024	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹40,00,00,000 divided into 4,00,00,000 Equity Shares of face value of ₹10 each to ₹90,00,00,000 divided into 9,00,00,000 Equity Shares of face value of ₹10 each.

#### Major events and milestones in the history of our Company

Year	Key Milestones
1994	Incorporation of our Company as Public Limited Company Certificate of Commencement of Business
2011	Award from Primary Supplier for Distributor of the year – Runner up Award from Primary Supplier on crossing 1 Million Ton Sales since inception Award from Primary Supplier Best Project Distributor in " ECVN " Category
2014	Award from Primary Supplier for Distributor of the Year in Large Category Award from Primary Supplier "Super Achiever- East Zone Award from Primary Supplier for best Retail Distributor of the Year
2018	The Company has ventured into the manufacturing and trading of PVC pipes under the brand name BMW Polytube through BMW Polytube
2023	The Company has diversified its product portfolio to include the production of Pre Engineered Buildings and Steel Girders and received approval from Research Design and Standards Organization (RDSO) for Steel girder unit

#### Significant financial and/or strategic partners

Our Company does not have any significant financial and/or strategic partners as on the date of this Draft Red Herring Prospectus.

#### Time and cost over-runs

There has been no time or cost over-runs in respect of our business operations as on the date of this Draft Red Herring Prospectus.

#### Defaults or re-scheduling, restructuring of borrowings with financial institutions or banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with financial institutions/banks.

#### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc.in last ten years**

Our Company has not undertaken any merger, demerger, amalgamation, acquisitions or divestments including any material acquisitions or divestments of any business or undertaking, or any revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

#### **Number of shareholders of our Company**

Our Company has 9 (Nine) equity shareholders as on the date of this Draft Red Herring Prospectus.

#### **Shareholders' agreement and other agreements**

As on date of this Draft Red Herring Prospectus, our Company does not have any subsisting shareholders' agreement.

#### **Inter-se agreements between Shareholders**

As on the date of this Draft Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements, agreements and clauses / covenants which are material in nature and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements, agreements of like nature.

#### **Other agreements**

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, 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.

#### **Capacity/facility creation, location of plants**

For details regarding capacity/facility creation and location of plants of our Company see "Our Business" beginning on page 200.

#### **Non-Compete agreement**

Our Company has not entered into any non-compete agreement as on the date of filing this Draft Red Herring Prospectus.

#### **Details of Holding Company**

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

#### **Joint Ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

#### **Associate**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company.

#### **Subsidiary of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

### **Launch of key products or services, entry in new geographies or exit from existing markets**

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter “Our Business” on page 200 of this Draft Red Herring Prospectus.

### **Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception.

### **Changes in the activities of our Company during the last five years**

There have been no changes in our Company business activities over the last five years that would have affected our Financials position. This includes factors like stopping any business lines, losing agencies or markets, or similar events, except for the addition of Steel Girder fabrication business in July 2023 and Pre-Engineered Buildings business in November 2022.

### **Changes in the management**

For details of change in management, please see the section ‘Changes in our Board during the last three years’ in the chapter titled “Our Management” on page 241 of this Draft Red Herring Prospectus.

### **Changes in accounting policies in last three (3) years**

There have been no changes in accounting policies of our Company in last three years.

### **Guarantees provided by our Promoters**

Except as disclosed in the chapter titled “Financial Indebtedness” on page 330 of this Draft Red Herring Prospectus our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

### **Agreements with Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee**

As on the date of the Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters 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.

### **Details of Public Issues in last 5 years**

Our Company had filed the Draft Offer Document with National Stock Exchange of India Limited in the year 2019 for listing its securities on SME Platform of NSE. However the same was not proceeded further due to management decisions.

### **Special Rights**

That no special rights are available to the promoters/shareholders in the AoA, at the time of filling of the Draft Red Herring Prospectus/Prospectus.

### **Other Confirmations**

Articles of Association (AoA) does not give any special rights of any kind to any person.

## OUR MANAGEMENT

In terms of the Companies Act and our Article of Association of our Company is required to have not less than three Directors and not more than fifteen Directors.

As on the date of this Draft Red Herring Prospectus, Our Board has Eight Directors comprising of, One Managing Director, Two Whole Time Directors (Out of which one is Woman Director), One Non-Executive Director and Four Independent Director. For details on the strength of our Board, as permitted and required under the AoA, see “Main Provisions of Articles of Association” on page 417 of this Draft Red Herring Prospectus.

Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act in relation to the composition of our Board and its committees thereof.

Name, Date of Birth, Designation, Address, Period of Directorship, Term, Nationality, Occupation and DIN	Age	Other Directorships/ Partnerships
<p><b>Name:</b> Bijay Kumar Kishorepuria<sup>#</sup></p> <p><b>Date of Birth:</b> February 02, 1952</p> <p><b>Designation:</b> Chairman &amp; Whole-Time Director</p> <p><b>Address:</b> Kataruka Niwas, 4<sup>th</sup> Floor, South Phulwari, Gandhi Maidan, Patna-800001</p> <p><b>Period of Directorship:</b> Director since October 07, 1994</p> <p><b>Term:</b> For a period of Five years w.e.f April 01, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00626283</p>	<p>73 years</p>	<p><b>A. Private Companies</b></p> <ol style="list-style-type: none"> <li>1) BMW Logistics Private Limited</li> <li>2) BMW Fin - Invest Private Limited</li> <li>3) Dhanrishi Housing Advisory Private Limited</li> <li>4) Bijay Kumar Kishorepuria Private Limited</li> <li>5) Jagdamba Value Steels Private Limited</li> <li>6) Jai Basukinath Traders Private Limited</li> <li>7) BMW Project Private Limited</li> <li>8) AGL Glass Private Limited</li> <li>9) Nupur Venture Private Limited</li> <li>10) Rachna Heights Private Limited</li> <li>11) Mediversal Healthcare Private Limited</li> </ol> <p><b>B. Public Companies</b></p> <p>Nil</p> <p><b>C. Limited Liability Partnerships</b></p> <ol style="list-style-type: none"> <li>1) BMW HEIGHT LLP</li> <li>2) JBT Realty LLP</li> <li>3) Jackson Mercantiles LLP</li> <li>4) Snowball Creators LLP</li> <li>5) Jackson Infracon LLP</li> <li>6) Mangrove Real Estate LLP</li> <li>7) Snowball Heights LLP</li> <li>8) Mangrove Heights LLP</li> <li>9) Jackson Developers LLP</li> <li>10) Pranshi Empire LLP</li> </ol> <p><b>D. Foreign Companies</b></p> <p>NIL</p>

Name, Date of Birth, Designation, Address, Period of Directorship, Term, Nationality, Occupation and DIN	Age	Other Directorships/ Partnerships
<p><b>Name:</b> Nitin Kishorepuria</p> <p><b>Date of Birth:</b> December 06, 1977</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> Kataruka Niwas, Near Hotel Panache, South Gandhi Maidan, Phulwari, Patna-80000.</p> <p><b>Period of Directorship:</b> Director since February 01, 2003</p> <p><b>Term:</b> For a period of five years with effect from January 06, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00626377</p>	47 years	<p><b>A. Private Companies</b></p> <ol style="list-style-type: none"> <li>1) Marigold Heights Private Limited</li> <li>2) Rachna Heights Private Limited</li> <li>3) Nupur Venture Private Limited</li> <li>4) BMW Fin-Invest Private Limited</li> <li>5) BMW Logistics Private Limited</li> <li>6) Dhanrishi Housing Advisory Private Limited</li> <li>7) Garden Height Private Limited</li> <li>8) AGL Glass Private Limited</li> <li>9) Jai Basukinath Traders Private Limited</li> <li>10) BMW Project Private Limited</li> <li>11) Mediversal Foundation</li> </ol> <p><b>B. Public Companies</b></p> <p>Nil</p> <p><b>C. Limited Liability Partnerships</b></p> <ol style="list-style-type: none"> <li>1) Jai Basukinath Auto LLP</li> <li>2) Snowball Heights LLP</li> <li>3) Jackson Developers LLP</li> <li>4) JBT Real Estate Developers LLP</li> <li>5) JBT Realty LLP</li> <li>6) Jackson Infracon LLP</li> <li>7) Snowball Creators LLP</li> <li>8) Mangrove Real Estate LLP</li> <li>9) Jackson Mercantiles LLP</li> <li>10) KS Swastika Realty LLP</li> <li>11) BMW Height LLP</li> </ol> <p><b>D. Foreign Companies</b></p> <p>Nil</p>
<p><b>Name:</b> Rachna Kishorepuria</p> <p><b>Date of Birth:</b> August 26, 1979</p> <p><b>Designation:</b> Whole-Time Director</p> <p><b>Address:</b> Kataruka Niwas, Near Hotel Panache, South Gandhi Maidan, Phulwari, Patna-800001.</p> <p><b>Period of Directorship:</b> Director since November 01, 2006</p> <p><b>Term:</b> For a period of five years with effect from September 10, 2022</p> <p><b>Nationality:</b> Indian</p>	45 years	<p><b>A. Private Companies</b></p> <ol style="list-style-type: none"> <li>1) Nupur Venture Private Limited</li> <li>2) Rachna Heights Private Limited</li> <li>3) Garden Height Private Limited</li> </ol> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnerships</b></p> <ol style="list-style-type: none"> <li>1) JBT Realty LLP</li> <li>2) Jai Basukinath Auto LLP</li> <li>3) BMW Height LLP</li> </ol> <p><b>D. Foreign Companies</b></p>

Name, Date of Birth, Designation, Address, Period of Directorship, Term, Nationality, Occupation and DIN	Age	Other Directorships/ Partnerships
<b>Occupation:</b> Business <b>DIN:</b> 01093753		Nil
<b>Name:</b> Sabita Devi Kishorepuria <b>Date of Birth:</b> July 22, 1955 <b>Designation:</b> Non-Executive Director <b>Address:</b> Kataruka Niwas, 4 <sup>th</sup> Floor, South Phulwari, Gandhi Maidan, Patna-800001 <b>Period of Directorship:</b> Director since October 07, 1994 <b>Term:</b> Liable to Retire by rotation <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 00626490	69 years	<b>A. Private Companies</b> 1) Jagdamba Value Steels Private Limited 2) Bijay Kumar Kishorepuria Private Limited <b>B. Public Companies</b> NIL <b>C. Limited Liability Partnership</b> 1) BMW Height LLP <b>D. Foreign Companies</b> NIL
<b>Name:</b> Sourabh Ajmera <b>Date of Birth:</b> July 27, 1990 <b>Designation:</b> Independent Director <b>Address:</b> B-01, Krupalu Kutir, SVP Road, Opp. HDFC Bank, Patel Wadi, Chamunda Circle, Borivali (W), Mumbai-400092 <b>Period of Directorship:</b> Director since August 06, 2022 <b>Term:</b> For a period of 5 Years <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 06876514	34 years	<b>A. Private Companies</b> 1) Wall Street Journal India Publishing Private Limited 2) Dow Jones Consulting India Private Limited <b>B. Public Companies</b> 1) Ritco Logistics Limited <b>C. Limited Liability Partnership</b> NIL <b>D. Foreign Companies (Authorized Representative)</b> 1) Unruly Media Pte. Limited 2) Dow Jones and Company Inc.
<b>Name:</b> Yogesh Tulsyan <b>Date of Birth:</b> November 17, 1954 <b>Designation:</b> Independent Director <b>Address:</b> B S B Roy Road, Near Vrindawan Sweets, B Deoghar, Jharkhand-814112 <b>Period of Directorship:</b> Director since December 23, 2017	70 years	<b>A. Private Companies</b> NIL <b>B. Public Companies</b> NIL <b>C. Limited Liability Partnership</b> NIL

Name, Date of Birth, Designation, Address, Period of Directorship, Term, Nationality, Occupation and DIN	Age	Other Directorships/ Partnerships
<b>Term:</b> For a period of 5 Years* <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 07969660 <i>*Re-appointed for a further period of five years with effect from December 16, 2022</i>		<b>D. Foreign Companies</b>  NIL
<b>Name:</b> Ravi Jagetiya <b>Date of Birth:</b> February 13, 1987 <b>Designation:</b> Independent Director <b>Address:</b> B-303, Eklavya Co-Operative Housing Society, N L Complex, Near Mugraneshwar Mahadev Mandir, Dahisar (E), Mumbai-400068 <b>Period of Directorship:</b> Director since August 06, 2022 <b>Term:</b> For a period of 5 Years <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 08734797	38 years	<b>A. Private Companies</b>  Nil <b>B. Public Companies</b> 1) Vasa Denticity Limited 2) Macfos Limited <b>C. Limited Liability Partnership</b>  Nil <b>D. Foreign Companies</b>  Nil
<b>Name:</b> Arpit Jagdishchandra Kabra <b>Date of Birth:</b> May 25, 1987 <b>Designation:</b> Independent Director <b>Address:</b> D-802, Gayatri Darshan, Thakur Complex, Next to Suruchi Hotel, Kandivali (E), Mumbai-400101 <b>Period of a Directorship:</b> Director since May 02, 2023 <b>Term:</b> For a period of 5 Years <b>Nationality:</b> Indian <b>Occupation:</b> Business <b>DIN:</b> 03417686	37 years	<b>A. Private Companies</b> 1) Avni Educational Consultancy Private Limited <b>B. Public Companies</b>  Nil <b>C. Limited Liability Partnership</b>  Nil <b>D. Foreign Companies</b>  Nil

*#Appointment has been made Pursuant to Section 196 of Companies Act, 2013 and Rules made thereunder.*



### Brief profiles of our Directors:

**Bijay Kumar Kishorepuria**, is a Promoter, Chairman & Whole-Time Director of the Company. He completed his Matriculation from Patna University. He has been associated with our Company since its inception. With nearly three decades of experience in the trading of iron and steel products.

**Nitin Kishorepuria**, is a Promoter and Managing Director of our Company. He holds a Postgraduate Diploma in Business Management with a focus on marketing and systems from the International School of Business & Media in Pune. He is presently responsible for overseeing the company's sales and marketing strategies. Over 20 years of experience in the trading of iron and steel products, he has been associated with the company since 2003.

**Rachna Kishorepuria**, is a Promoter and Whole-Time Director of the Company. She holds a Bachelor's Degree in Arts from Patna University. She has been a member of the company's board since November 2006, she is primarily responsible for overseeing the Human Resource department.

**Sabita Devi Kishorepuria**, is a Non-Executive Director of the Company. She completed her Matriculation from Patna University. Since October 1994, She has been an integral part of the company's board. She is overseeing projects related to Corporate Social Responsibility. With over 20 years of experience, she also oversees women's safety and the prevention of sexual harassment at our office and facilities.

**Yogesh Tulsyan**, is an Independent Director of the Company. He is a Law Graduate from the University of Calcutta. He brings 42 years of Experience and legal acumen to the company's board. He specializes in legal matters pertaining to taxation.

**Sourabh Ajmera**, is an Independent Director of the Company. He holds memberships with the Institute of Chartered Accountants of India and he has completed his B. Com from Maharshi Dayanand Saraswati University (MDSU), Ajmer. He is managing partner at Ajmera & Ajmera, Chartered Accountants. and his specializing in startup advisory, internal audit, and virtual CFO services. Additionally, he holds the position of Director at Dow Jones Consulting India Private Limited and Wall Street Journal India Publishing Private Limited. He has been associated with the company since August 06, 2022.

**Ravi Jagetiya**, is an Independent Director of the company. He is a member of the Institute of Chartered Accountants of India since January 2010. He is the proprietor of R. K. Jagetiya & Co. (Chartered Accountant), He is specializing in providing mentorship to Small and Medium Enterprises (SMEs) with a focus on fund raising through both primary and secondary markets. He contributes his expertise to the company's board. He has been associated with the company since August 06, 2022.

**Arpit Jagdishchandra Kabra**, is an Independent Director of the Company. He holds membership with the Institute of Chartered Accountants of India and also holds the position of regional council member at the Western India Regional Council (WIRC). He is specializing in a range of financial and auditing domains, including but not limited to bank audits, internal and system audits, risk-based internal audits, and the management of income tax assessment proceedings for corporate entities. His expertise in these areas adds value to the company's governance. He has been associated with the company since May 02, 2023.

### 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 his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have 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.

Further, we confirm that all our Independent Directors are registered with the Indian Institute of Corporate Affairs and are in compliance with Section 149(6) of the Companies Act, 2013.

Further, none of our Directors have been identified as Wilful Defaulters as defined under the SEBI ICDR Regulations.

#### **Arrangements or understanding with major shareholders, customers, suppliers or others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the directors or KMPs were selected as a director or KMP or member of a senior management as on the date of this Draft Red Herring Prospectus.

#### **Service contracts with Directors**

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

#### **Relationships between our Directors and Key Managerial Personnel and Senior Management**

Bijay Kumar Kishorepuria	<ul style="list-style-type: none"> <li>• Father of Nitin Kishorepuria,</li> <li>• Spouse of Sabita Devi Kishorepuria</li> <li>• Father-in law of Rachna Kishorepuria</li> </ul>
Nitin Kishorepuria	<ul style="list-style-type: none"> <li>• Son of Bijay Kumar Kishorepuria and Sabita Devi Kishorepuria</li> <li>• Spouse of Rachna Kishorepuria</li> </ul>
Sabita Devi Kishorepuria	<ul style="list-style-type: none"> <li>• Spouse of Bijay Kumar Kishorepuria</li> <li>• Mother of Nitin Kishorepuria,</li> <li>• Mother-in law of Rachna Kishorepuria</li> </ul>
Rachna Kishorepuria	<ul style="list-style-type: none"> <li>• Spouse of Nitin Kishorepuria</li> <li>• Daughter in law of Bijay Kumar Kishorepuria and Sabita Devi Kishorepuria</li> </ul>

Except as stated above none of our Directors are related to each other, or to any of the Key Managerial Personnel or Senior Management.

#### **Terms of Appointment of our Executive Directors:**

##### **Bijay Kumar Kishorepuria**

Bijay Kumar Kishorepuria is the Whole Time Director of our Company. He has been associated with our Company since October 07, 1994.

On April 01, 2024, Bijay Kumar Kishorepuria was re-designated as the Whole Time Director of the Company for a period of 5 (Five) years. He is entitled to the following remuneration and other employee benefits with effect from April 01, 2024:

Particulars	Remuneration (₹)
Remuneration	₹10,00,000 per month
Perquisites and Allowances	As may be determined by the Board in duly conveyed Board Meeting.

#### Nitin Kishorepuria

Nitin Kishorepuria is the Managing Director of our Company. He has been associated as the Whole-Time Director of our Company since February 01, 2003.

On January 06, 2024, Nitin Kishorepuria was designated as the Managing Director of the Company for a period of 5 (Five) years. He is entitled to the following remuneration and other employee benefits with effect from January 06, 2024:

Particulars	Remuneration (₹)
Remuneration	₹12,00,000 per month
Perquisites and Allowances	As may be determined by the Board in duly conveyed Board Meeting.

#### Rachna Kishorepuria

Rachna Kishorepuria is the Whole-Time Director of our Company. She has been associated with our Company since November 01, 2006.

On September 10, 2022, Rachna Kishorepuria was appointed for a further period of 5 (Five) years. She is entitled to the following remuneration and other employee benefits with effect from April 01, 2025:

Particulars	Remuneration (₹)
Remuneration	₹8,00,000 per month
Perquisites and Allowances	As may be determined by the Board in duly conveyed Board Meeting.

#### Sitting Fees to Non-Executive Directors and Independent Directors

Pursuant to the resolution approved by our Board, the revised sitting fees for our Non-Executive and Independent Directors will be ₹5,000 per meeting of the Board and its committees, effective from April 1, 2024.

The details of sitting fees paid to our Independent Directors and Non-Executive during Fiscal 2024 are as follows:

Name	Designation	Fiscal 2024
Sourabh Ajmera	Independent Director	₹50,000
Yogesh Tulsyana	Independent Director	₹50,000
Ravi Jagetiya	Independent Director	₹50,000
Arpit Jagdishchandra Kabra	Independent Director	₹50,000
Sabita Devi Kishorepuria	Non-Executive Director	Nil

#### Contingent and deferred compensation payable to our Directors, Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

#### Loans to Directors

None of our Directors have availed any loan from our Company.

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

### **Bonus or profit-sharing plan for the Directors**

Except as stated in “Our Management”-Terms of Appointment of our Executive Directors” and “- Sitting Fees to Non-Executive Directors and Independent Directors ” on pages 241, our Company does not have any bonus or profit-sharing plan for our Directors.

### **Shareholding of our Directors in our Company**

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

<b>Particulars</b>	<b>Number of Shares</b>	<b>% of Pre-Issue Equity Share Capital</b>
Nitin Kishorepuria	17,597,200	27.79%
Sabita Devi Kishorepuria	57,98,200	9.16%
Rachna Kishorepuria	44,64,000	7.05%
Bijay Kumar Kishorepuria	39,66,600	6.26%
<b>Total</b>	<b>3,18,26,000</b>	<b>50.26%</b>

### **Payment or benefits to officers of our Company**

Except as stated under “Remuneration details of our directors”, “Sitting Fees to Non-Executive Directors and Independent Directors”, and “Bonus or profit-sharing plan for Directors” no amount or benefit has been paid or given in the last two (2) years preceding the date of this Draft Red Herring Prospectus to any officer of our Company including our Directors, Key Managerial Personnel and Senior Management.

For further details, please refer to the chapter titled “Financial Information-Related Party Transactions” on page 271 of this Draft Red Herring Prospectus.

### **Appointment of relatives of our Directors to any office or place of profit**

Other than as disclosed in this Draft Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

### **Interest of our Directors**

Our Directors are interested in our Company in the following manner:

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as sitting fees and commission, if any, payable to them for attending meetings of our Board and committees thereof.

Our Directors may be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. For further details, please refer to chapter titled “Our Management – Shareholding of directors in our Company” and “Capital Structure” beginning on pages 241 and 105 respectively of this Draft Red Herring Prospectus. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the equity shares held by them.

Some of our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members or in which

they hold directorships or any partnership firm in which they are partners in the ordinary course of business, including for purchase of packaging materials. For further details, please see “Financial Information-Related Party Transactions” on page 271.

Except for Nitin Kishorepuria, Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria and Rachna Kishorepuria who may be deemed to be interested in the promotion or formation of our Company, none of our Directors have any interest in promotion or formation of our Company. For further details, please refer to chapter titled “Our Promoter and Promoter Group” beginning on page 260 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

### **Interest in land and property**

None of our Directors are interested in any property acquired by our Company or proposed to be acquired by our Company.

### **Business Interest**

Except as stated in “Financial Information-Related Party Transactions” on page 271 and otherwise disclosed in this section, our Directors do not have any other business interest in our Company.

### **Changes in our Board during 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 follows:

<b>Name of the Director</b>	<b>Date of Appointment / Change / Cessation</b>	<b>Reason for Change</b>
Bijay Kumar Kishorepuria	April 01, 2024	Re-designated as Chairman and Whole-Time Director for smooth business operations.
Bijay Kumar Kishorepuria	January 06, 2024	Re-designated as Chairman and Non-Executive Director
Nitin Kishorepuria	January 06, 2024	Re-Designated as Managing Director
Sabita Devi Kishorepuria	January 06, 2024	Re-Designated as Non-Executive Director due to Personal Reason
Arpit Jagdishchandra Kabra	May 02, 2023	Appointed as Independent Director
Vijay Kumar Gupta	February 20, 2023	Resigned as Independent Director due to personal reasons
Rachita Kedia	July 27, 2022	Resigned as Non-Executive Director due to personal reasons
Sourabh Ajmera	August 06, 2022	Appointed as Independent Director
Ravi Jagetiya	August 06, 2022	Appointed as Independent Director

### **Borrowing Powers**

Pursuant to our Articles of Association, resolution passed by our Board at their meeting held on November 01, 2023 and resolution passed by our Shareholders at their meeting held on November 30, 2023, our Board is authorized to borrow, enhance and grant facility for the general, working capital and such other corporate purposes, from time to time as deemed by it to be requisite and proper, such that the monies to be borrowed together with the monies already borrowed by our Company do not exceed ₹500 crores (Rupees Five Hundred Crores) in excess of the aggregate of the paid share capital and free reserves of our Company as per its latest annual audited financial statements, apart from temporary loans obtained from the bankers of our Company in the ordinary course of business.

## Corporate Governance

In addition to the Companies Act, the provisions of SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. Our Company is in compliance with the corporate governance requirements prescribed under SEBI Listing Regulations and the Companies Act, particularly, in relation to composition of our Board of Directors and constitution of board level committees.

Our Board of Directors is constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

As on the date of this Draft Red Herring Prospectus, our Board has 8 (Eight) Directors. In compliance with the requirements of the Companies Act and Regulation 17 of the SEBI Listing Regulations, we have 2 (two) executive Directors one of whom is a Managing Director and one of them is a woman director, 2 (two) non-executive & non-independent directors and 4 (four) independent Directors.

**The following committees have been formed in compliance with the corporate governance norms:**

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee
- D) Corporate Social Responsibility Committee

### **A) Audit Committee**

Our Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on April 01, 2024.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors.

### **Composition of Audit Committee**

Name of the Director	Status	Nature of Directorship
Ravi Jagetiya	Chairman	Independent Director
Sourabh Ajmera	Member	Independent Director
Bijay Kumar Kishorepuria	Member	Whole-Time Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

### **Role of the Audit Committee**

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- a. 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 Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
- 5) Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
  - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - 7) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  - 8) Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
  - 9) Scrutiny of inter-corporate loans and investments.
  - 10) Valuation of undertakings or assets of the Company, wherever it is necessary.
  - 11) Evaluation of internal financial controls and risk management systems.
  - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - 14) Discussion with internal auditors on any significant findings and follow up there on.
  - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - 18) To review the functioning of the Whistle Blower mechanism, in case the same exists.



- 19) Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
- 20) To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
- 21) Monitoring the end use of funds raised through public issues and related matters.

The Audit Committee shall mandatorily review the following information:

- 1) Management Discussion and Analysis of financial condition and results of operations.
- 2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- 4) Internal audit reports relating to internal control weaknesses.
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) Statement of deviations:
  - a) Half yearly 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 Obligation and Disclosure Requirements) Regulations, 2015.
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/Prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **Powers of the Audit Committee**

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

#### **B) Stakeholders Relationship Committee**

Our Company has constituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on April 01, 2024.

#### **Composition of Stakeholders Relationship Committee**

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Yogesh Tulsyan	Chairman	Independent Director
Bijay Kumar Kishorepuria	Member	Whole-Time Director
Nitin Kishorepuria	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- 1) Redressal of shareholders'/investors' complaints.
- 2) Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- 3) Issue of duplicate certificates and new certificates on split/consolidation/renewal.
- 4) Non-receipt of declared dividends, balance sheets of the Company.
- 5) Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### **C) Nomination and Remuneration Committees**

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on September 05, 2022.

#### **Composition of Nomination and Remuneration Committee**

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Yogesh Tulsyan	Chairman	Independent Director
Ravi Jagetiya	Member	Independent Director
Sourabh Ajmera	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

#### **Role of Nomination and Remuneration Committee**

- 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 employees.
- 2) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- 3) Devising a policy on diversity of Board of Directors.
- 4) 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.
- 5) 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.
- 6) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### **D) Corporate Social Responsibility Committee**

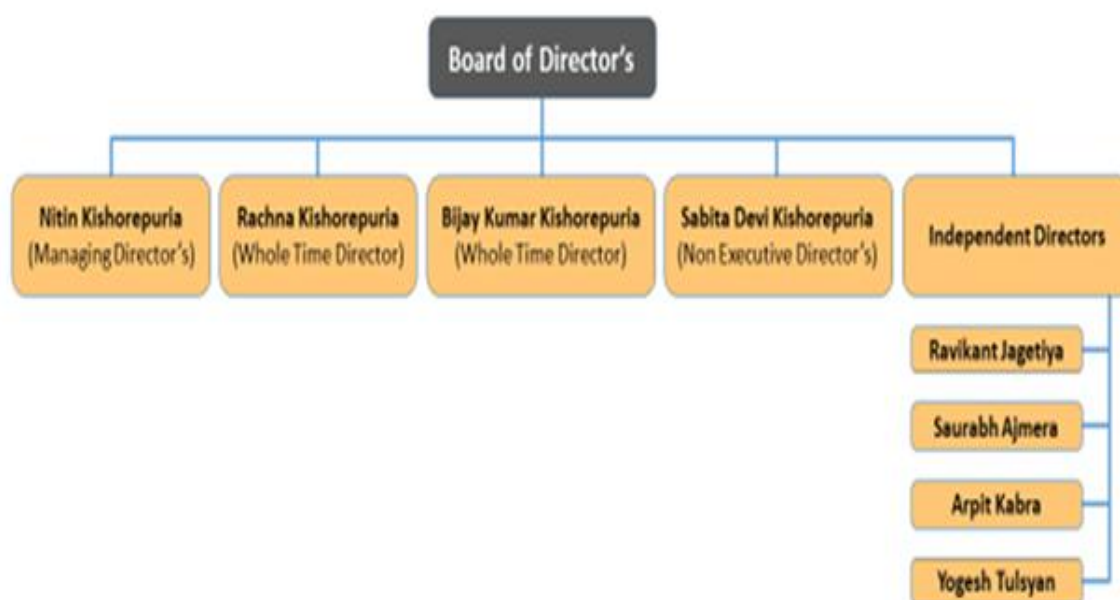
The members of the Corporate Social Responsibility Committee are:

Name of the Director	Status	Nature of Directorship
Bijay Kumar Kishorepuria	Chairman	Whole-Time Director
Sabita Devi Kishorepuria	Member	Non-Executive Director
Yogesh Tulsyan	Member	Independent Director
Arpit Jagdishchandra Kabra	Member	Independent Director

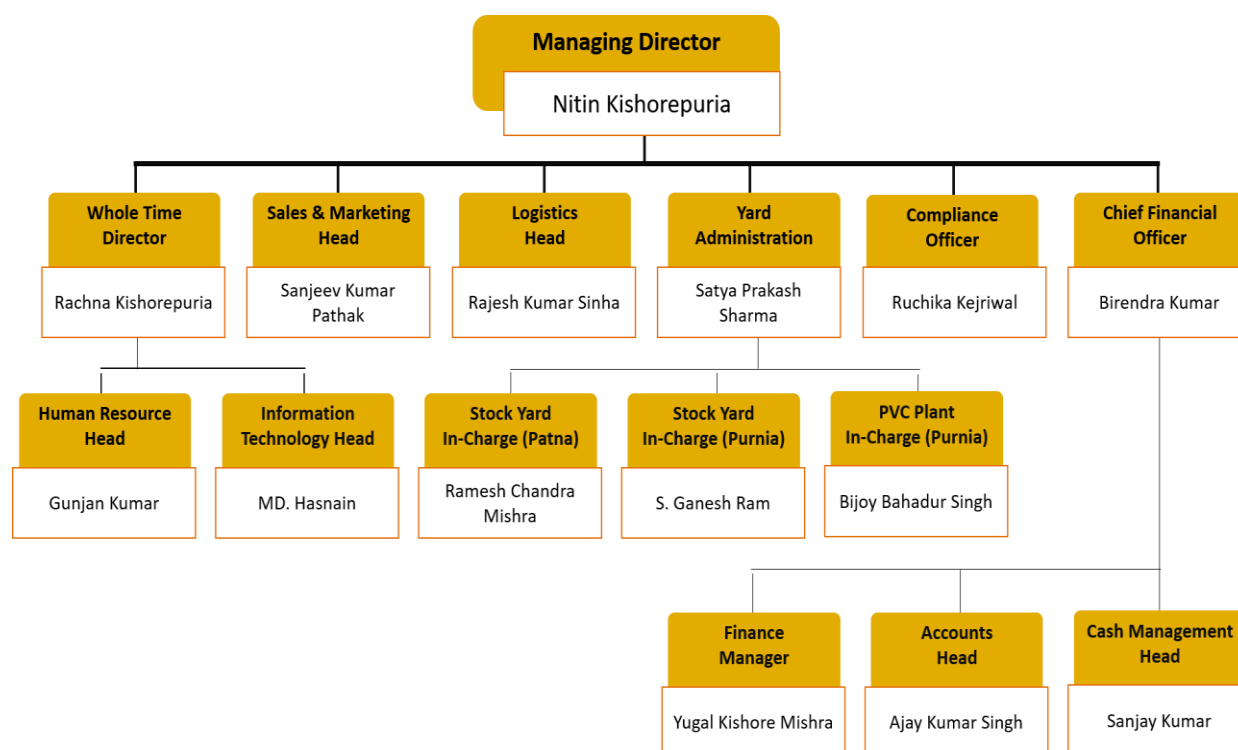
The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on April 01, 2024. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, including:

- formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time

#### Management Organization Structure



## Functional/Departmental Head



## Key Managerial Personnel and Senior Management

Nitin Kishorepuria, Managing Director, Rachna Kishorepuria, Whole Time Director, Birendra Yadav, Chief Financial Officer and Ruchika Maheshwari Kejriwal, Company Secretary & Compliance Officer are the Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus.

## Brief profiles of our Key Managerial Personnel

For a brief profile of Nitin Kishorepuria, Bijay Kumar Kishorepuria and Rachna Kishorepuria, please see “Our Management - Brief Profiles of our Directors” on page 241 of this Draft Red Herring Prospectus.

### ***Ruchika Maheshwari Kejriwal (Company Secretary and Compliance Officer)***

Ruchika Maheshwari Kejriwal is a Company Secretary and Compliance officer of the Company. She is the member of Institute of Company Secretaries of India since May 2016. She has over 5 years of experience in secretarial compliance and well versed with corporate laws, securities laws and corporate governance matters. She has been entrusted with all the corporate and legal aspects of the Company. She handles all the regulatory and statutory compliances of the Company. At present, she assists and provides independent oversight in improving corporate credibility and governance standards of the Company.

### ***Birendra Yadav (Chief Financial Officer)***

Birendra Yadav is a Chief Financial Officer (CFO) of the company. He holds a Bachelor's degree in Commerce from Magadh University, Bodhgaya. With 15 years of experience in banking regulations and fund procurement. He handles all aspects of finance, including fund requirements and relationships with financial institutions and banks, ensuring the company's financial health and stability. He has been an integral part of the company since December 2008.

### **Brief Profiles of our Senior Management Personnel:**

In addition to Ruchika Maheshwari Kejriwal, the Company Secretary and Compliance Officer of our Company and Birendra Yadav the Chief Financial Officer of the Company, whose details are provided in above under “- Brief profiles of our Key Managerial Personnel.”

**The details of other Functional Head/Departmental Head of our Company, as on the date of this Draft Red Herring Prospectus are set forth below:**

#### ***Satya Prakash Sharma (Yard Administration)***

Satya Prakash Sharma, aged about 71 years, he has been with the company from last 23 years and currently serves as Yard Administration in the company. He holds a B. Com degree from Jaipuria College. After graduation, he ventured into his own business in the iron and steel industry. For the past 23 years at BMW, His extensive experience across industries and leadership positions adds value to the company's operations.

#### ***Rajesh Kumar Sinha, Head of Logistics***

Rajesh Kumar Sinha, aged about 60 years, he has been with the company for 29 years and serves as the Logistics Head. He holds an M.A. degree from Patna University, He began his career as a market research investigator with Operation Research Group in Baroda in 1986. In 1995, he joined our company, where he has been responsible for overseeing all logistics operations, contributing to the company's success in this area.

#### ***Sanjeev Kumar Pathak, Head of Sales & Marketing***

Sanjeev Kumar Pathak, aged about 51 years, brings over 25 years of diverse experience to his role as Head of Sales Marketing in the company. He holds an MBA from Lalit Narayan Mishra Institute of Economic Development and Social Change, Patna. His career journey includes roles such as State Head at Jenith Computers Limited for Bihar and Jharkhand, State Head at Kyocera Document Solution Private Limited, Senior Vice President at Modern Dairy Private Limited, and most recently, joining BMW Ventures Limited in 2019. His experience across industries and leadership positions adds value to the company's operations.

#### ***Gunjan Kumar, Head - HR***

Gunjan Kumar, aged about 48 years, he has been an integral part of our company for the past 12 years, currently serving as the HR Head. He holds a Bachelor of Science degree from Peru Mahto Somri College in Bihar Sharif, He began his career as an HR Manager at Web Tech Private Limited, where he honed his skills in human resource management. In 2012, he joined BMW as HR Head, further expanding his expertise. His experience and leadership in HR have contributed to our organizational development and employee management strategies.

#### ***Md. Hasnain, Head - IT***

Md. Hasnain, aged about 32 years, He has been an integral part of the company for 11 years. He holds a B.Sc in Information Technology from NIIT, Patna, completed in 2012. Immediately after his graduation, he joined the company as the IT Head. In this role, he has demonstrated exceptional leadership and technical skills, driving advancements in the company's IT infrastructure and systems. His tenure has been marked by a continuous pursuit of innovation and excellence, contributing to the company's growth and operational efficiency.

#### ***Ramesh Chandra Mishra, Stock Yard in-Charge - Patna***

Ramesh Chandra Mishra, aged about 57 years. He holds the position of Patna Stock Yard in-Charge, overseeing operations at the Old, New, and Pataliputra Yards. He completed his Bachelor of Arts degree from C M College, Darbhanga, in 1988. He began his career with BMW in 1995 and has since demonstrated exceptional leadership and expertise in yard management, contributing to the efficient functioning and operational success of the company's stock yards. His extensive experience and commitment to excellence have made him a vital asset to the organization.

***S. Ganesh Ram, Stock Yard in-Charge - Purnea***

S. Ganesh Ram, aged about 44, has been with the company for 4 years, currently serving as the Purnea Stock Yard in-Charge. He holds a B. Tech in Electrical Engineering from Arulmigu Kalasalingam College after finishing his Polytechnic studies in 2000. Ganesh Ram began his professional journey in 2003 with Godrej & Boyce Manufacturing Company Limited. In 2009, he transitioned to Tata Blue Scope Private Limited, where he honed his skills and gained experience. In 2021, he joined BMW, bringing with him a wealth of knowledge and expertise in stock yard management and electrical engineering, making him a valuable asset to the Company.

***Bijoy Bahadur Singh, PVC Plant in charge - Patna***

Bijoy Bahadur Singh, aged about 67 years, He has been with the company from last 7 years. He holds a Diploma in Plastic Technology from Allahabad Polytechnic in 1979. His career began at Modi Plastics, where he gained experience in the plastics industry. In 2018, he joined BMW, bringing with him a wealth of knowledge and expertise. Currently he serves as the in-Charge of PVC Plant at Pataliputra, where he oversees the plant's operations, ensuring efficiency and quality in PVC production. His background and commitment have made contributions to the company's success.

***Yugal Kishore Mishra, Manager - Finance***

Yugal Kishore Mishra aged about 59 years, He is a professional with 26 years of dedicated service at BMW, where he currently holds the position of Finance Manager. He completed his LLB in 1993 from Bhagalpur University. His journey with our company began in 1999, and since then, he has played a pivotal role in the financial management planning of the organization, contributing to its growth and success.

***Ajay Kumar Singh, Head - Accounts***

Ajay Kumar Singh, aged 46, has been with the company for 12 years, serving as the Head of Accounts. He holds a Bachelor of Commerce degree, which he completed in 2001. Ajay began his professional career in 2004 at The Palms and Country Club, where he gained valuable experience in financial management. In 2012, he joined BMW as the Head of Accounts, where he has played a pivotal role in overseeing the company's financial operations, ensuring compliance, and implementing robust accounting practices. His experience and dedication have contributed to the company's financial stability and growth.

***Sanjay Kumar, Head – Cash Management***

Sanjay Kumar, aged about 38 years, He has been an integral part of our company for the past decade, currently serving as the Head of Cash Management. He holds a Bachelor's degree in Commerce. He started his career in 2009 as an accountant at the CIRC Patna branch, where he enhanced his financial and accounting skills. In 2013, he joined BMW as a cashier, bringing with him a strong foundation in financial management. Over the years, his dedication and expertise have propelled him to the position of Head of Cash Management, currently he is overseeing critical financial operations and ensures the efficient handling of cash transactions in the organization.

**Status of Key Managerial Personnel and Senior Management.**

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

**Relationship between our Key Managerial Personnel and Senior Management**

Except as disclosed in “-Relationships between our Directors and Key Managerial Personnel and Senior Management” on page 241 of this Draft Red Herring Prospectus, none of our Key Managerial Personnel or Senior Management are related to each other or any of our Directors.

### **Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management**

Except as disclosed in “Our Management”- “Terms of Appointment of our Executive Directors” and “Sitting Fees to Non-Executive Directors and Independent” on page 241 none of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

### **Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management were entitled for any contingent or deferred compensation.

### **Interests of Key Managerial Personnel and Senior Management Personnel**

None of our Key Managerial Personnel and Senior Management Personnel have any interests in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company; (ii) the Equity Shares and employee stock options held by or on behalf of them, if any, and any dividend payable to them and other benefits/ distributions arising out of such shareholding and (iii) as provided in “-Interest of Directors” on page 241. For details, see “-Shareholding of the Key Managerial Personnel and Senior Management Personnel” on page 241.

### **Shareholding of Key Managerial Personnel**

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

<b>Sr. No.</b>	<b>Name of the Key Managerial Personnel</b>	<b>No. of Shares</b>	<b>Percentage of Shareholding</b>
1)	Nitin Kishorepuria	1,75,97,200	27.79%
2)	Rachna Kishorepuria	44,64,000	7.05%
3)	Bijay Kumar Kishorepuria	39,66,600	6.26%
<b>Total</b>		<b>2,60,27,800</b>	<b>41.10%</b>

### **Service Contracts with Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management, other than our Managing Director and Chief Financial Officer, are governed by the terms of their respective appointment letters/resolutions of our Board in relation their terms of appointment and have not entered into any other service contracts with our Company. Further, no officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

### **Changes in Key Managerial Personnel and Senior Management during the last three years**

Changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

<b>Name of Key Managerial Personnel</b>	<b>Designation</b>	<b>Nature</b>	<b>Date of Event</b>
Bijay Kumar Kishorepuria	Whole-Time Director	Change in Designation	April 01, 2024
Bijay Kumar Kishorepuria	Non-Executive Director	Change in Designation	January 06, 2024
Nitin Kishorepuria	Managing Director	Change in Designation	January 06, 2024



<b>Name of Key Managerial Personnel</b>	<b>Designation</b>	<b>Nature</b>	<b>Date of Event</b>
Sabita Devi Kishorepuria	Non-Executive Director	Change in Designation	January 06, 2024
Ruchika Maheshwari Kejriwal	Company Secretary and Compliance Officer	Appointment	May 15, 2023

Other than the above changes, there have been no changes to the Key Managerial Personnel of our company that are not in normal course of employment.

#### **Payment or benefit to officers of our Company**

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

#### **Employee Stock Options**

As on the date of this Draft Red Herring Prospectus, our Company has not formulated any employees' stock option scheme.

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## OUR PROMOTER AND PROMOTER GROUP

As on the date of this Draft Red Herring Prospectus Nitin Kishorepuria, Rachna Kishorepuria, Bijay Kumar Kishorepuria, Sabita Devi Kishorepuria (“**Individual Promoters**”), BMW Fin-Invest Private Limited and Ridhisidhi Fincon Private Limited (“**Corporate Promoters**”) are promoters of our Company. Our Promoters collectively hold an aggregate of 6,17,43,600 Equity Shares, equivalent to 97.52 % of the issued, subscribed and paid-up pre-Issue Equity Share capital of our Company.

For further details of shareholding of our Promoters and Promoter Group, see “Capital Structure” on page 105.

The details of our Promoters is provided below:

### Individual Promoters:

	<p>Nitin Kishorepuria, is the Promoter and the Managing Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 241.</p> <p><b>His permanent account number is AETPK4087N</b></p>
	<p>Rachna Kishorepuria is the Promoter and the Whole-Time Director of the Company. For further details, i.e., her date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 241.</p> <p><b>Her permanent account number is AAXPA0001C.</b></p>
	<p>Bijay Kumar Kishorepuria is the Promoter and the Whole-Time Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 241.</p> <p><b>His permanent account number is AFOPK4175M.</b></p>
	<p>Sabita Devi Kishorepuria is the Promoter and the Non-Executive Director of the Company. For further details, i.e., her date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management – Board of Directors” and “Our Management – Brief biographies of Directors” on page 241.</p> <p><b>Her permanent account number is AGBPK7650F</b></p>

*Our Company confirms that the details of the PAN, Bank Account Number(s), Aadhar card number, driving license number and passport number of our Promoter shall be submitted to the Stock Exchange(s) at the time of filing the Draft Red Herring Prospectus.*

### ***Our Corporate Promoters:***

#### ***BMW Fin-Invest Private Limited***

#### **Corporate Information**

BMW Fin-Invest Private Limited was incorporated as a Private Limited Company on March 19, 1996 under the Companies Act, 1956. Its CIN is U65923WB1996PTC078232 Its registered office is situated at 10<sup>th</sup> Floor, Poddar Point Block A, 113 Park Street, Kolkata – 700 016.

As on date of this Draft Red Herring Prospectus, the BMW Fin-Invest Private Limited holds 2,43,82,600 Equity Shares of face value of ₹10 each, representing 38.51% of the issued, subscribed and paid-up Equity Share capital of our Company.

#### **Nature of Business**

The company specializes in a range of financial services such as finance, hire purchase, leasing, and finance lease operations across various sectors. Additionally, it offers lending and financing solutions tailored specifically for small traders and individuals, catering to their diverse financial needs and no change in such activities is currently proposed.

#### **Financial Highlights**

(₹ in Lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue (₹ in lakhs)	99.20	112.06	347.32
PAT (₹ in lakhs)	(8.34)	(23.56)	46.99
PAT (%)	0.00	0.00	13.52
Share Capital (₹ in lakhs)	99.90	99.90	99.90
Net Worth (₹ in lakhs)	934.19	942.53	966.10
Long Term Borrowings (₹ in lakhs)	1299.92	1478.01	1714.44

#### **Shareholding Pattern of BMW Fin-Invest Private Limited as on date of Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholders	No. of Shares	Percentage (%)
1)	Bijay Kumar Kishorepuria	3,47,880	34.84%
2)	Nitin Kishorepuria	3,09,680	30.99%
3)	Rachna Kishorepuria	1,61,050	16.12%
4)	Sabita Devi Kishorepuria	95,750	9.58%
5)	Bijay Kumar Kishorepuria (HUF)	54,000	5.41%
6)	Nupur Singhania	29,100	2.91%
7)	Nitin Kishorepuria (HUF)	1,510	0.15%
<b>Total</b>		<b>9,98,970</b>	<b>100.00%</b>

#### **Details of Promoters:**

Promoters of BMW Fin-Invest Private Limited are Bijay Kumar Kishorepuria and Nitin Kishorepuria.

#### **Board of Directors:**

Sr. No.	Name of Directors	Designation
1)	Bijay Kumar Kishorepuria	Director
2)	Nitin Kishorepuria	Director
3)	Sandip Kumar Mohanka	Director
4)	Manojkumar Kamalia	Director

## Change in control of BMW Fin-Invest Private Limited

There has been no change in the control of BMW Fin-Invest Private Limited in the last three years.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the Registrar of Companies where BMW Fin-Invest Private Limited is registered, will be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

## Ridhisidhi Fincon Private Limited

### Corporate Information

Ridhisidhi Fincon Private Limited was incorporated as a Private Limited Company on October 13, 2007 under the Companies Act, 1956. Its CIN is U01100WB2007PTC119594 Its registered office is situated at 113, Park Street, Block-A, 5<sup>th</sup> Floor, Kolkata-700 016.

As on date of this Draft Red Herring Prospectus, the RFPL holds 55,35,000 Equity Shares of face value of ₹10 each, representing 8.74% of the issued, subscribed and paid-up Equity Share capital of our Company.

### Nature of Business

The core business activity of the company centers on its role as a Non-Banking Financial Company (NBFC), primarily focused on providing loans and financial services. As an NBFC, the company engages in activities such as finance, hire purchase, leasing, finance lease operations, lending, and providing financing solutions to small traders and individuals and no changes in such activities is currently proposed.

### Financial Highlights

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue (₹ in lakhs)	189.12	42.26	139.36
PAT (₹ in lakhs)	138.78	7.09	(62.02)
PAT%	73.38%	16.77	-
Share Capital (₹ in lakhs)	146.26	56.80	56.80
Net Worth (₹ in lakhs)	1324.18	1,095.94	1,088.85

### Shareholding Pattern of Ridhisidhi Fincon Private Limited as on date of Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	No. of Shares	Percentage
1)	Bijay Kumar Kishorepuria	4,94,600	33.82%
2)	BMW Fin - Invest Private Limited	1,94,000	13.26%
3)	Nitin Kishorepuria	4,95,000	33.84%
4)	Rachna Kishorepuria	1,43,000	9.78%
5)	Sabita Devi Kishorepuria	1,36,000	9.30%
<b>Total</b>		<b>14,62,600</b>	<b>100.00%</b>

Promoters of Ridhisidhi Fincon Private Limited are Bijay Kumar Kishorepuria and Nitin Kishorepuria

### Board of Directors of Ridhisidhi Fincon Private Limited

Sr. No.	Name of Directors	Designation
1)	Mahesh Sharma	Director
2)	Satya Prakash Sharma	Director

## **Change in control of Ridhisidhi Fincon Private Limited**

There has been no change in the control of Ridhisidhi Fincon Private Limited in the last three years

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the Registrar of Companies where Ridhisidhi Fincon Private Limited is registered, will be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

## **Interests of our Promoters**

### *Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company, any dividends payable to them and any other distributions in respect to their shareholding in our Company. For details pertaining to our Promoter's shareholding, please see "Capital Structure" on page 105 of this Draft Red Herring Prospectus.

### *Interest other than in promotion of our Company*

Our Promoters, Bijay Kumar Kishorepuria, Nitin Kishorepuria, Sabita Devi Kishorepuria and Rachna Kishorepuria, may also be considered interested to the extent of commission, sitting fees payable and reimbursement of expenses payable to them by virtue of being a Director of our Company.

For further information, please refer to chapter titled "Our Management" beginning on page 241 of this Draft Red Herring Prospectus.

### *Interest in property, land, construction of building and supply of machinery, etc.*

Except as stated under "Related Party Transactions" in the chapter titled "Restated Financial Statements" on page 271, our Promoters have no interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Further, our Promoters have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

## **Other Interest and Disclosures**

Except as stated under "Related Party Transactions" in the chapter titled "Restated Financial Statements" on page 271 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him.

Our Promoters are not related to any sundry debtors of our Company except as disclosed in Restated Financial Statements.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

## **Promoter Group of our Company**

In addition to our Promoters, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

**a) Natural Persons who are part of the Promoter Group**

*Immediate Relatives of our Promoters*

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Nitin Kishorepuria	Father	Bijay Kumar Kishorepuria
	Mother	Sabita Devi Kishorepuria
	Spouse	Rachna Kishorepuria
	Sister	Nupur Singhania
	Son	Shivansh Kishorepuria
	Son	Vihruth Kishorepuria
	Spouse Father	Mahabir Prasad Agrawal
	Spouse Mother	Santosh Agrawal
	Spouse Sister	Ruchi Agrawal

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Rachna Kishorepuria	Father	Mahabir Prasad Agrawal
	Mother	Santosh Devi Agrawal
	Spouse	Nitin Kishorepuria
	Sister	Ruchi Agrawal
	Son	Shivansh Kishorepuria
	Son	Vihruth Kishorepuria
	Spouse Father	Bijay Kumar Kishorepuria
	Spouse Mother	Sabita Devi Kishorepuria
	Spouse Sister	Nupur Singhania

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Bijay Kumar Kishorepuria	Brother	Raj Kumar Kishorepuria,
	Brother	Sajjan Kumar Kishorepuria
	Brother	Shiv Kumar Kishorepuria
	Brother	Pramod Kumar Kishorepuria
	Spouse	Sabita Devi Kishorepuria
	Son	Nitin Kishorepuria
	Daughter	Nupur Singhania
	Spouse's Brother	Ashish Dokania
	Spouse's Sister	Anamika Surekha

Name of the Promoter	Relationship/ reason for classification as promoter group	Name of the Promoter Group individual
Sabita Devi Kishorepuria	Brother	Ashish Dokania
	Sister	Anamika Surekha
	Spouse	Bijay Kumar Kishorepuria
	Son	Nitin Kishorepuria
	Daughter	Nupur Singhania
	Spouse's Brother	Raj Kumar Kishorepuria,
	Spouse's Brother	Sajjan Kumar Kishorepuria
	Spouse's Brother	Shiv Kumar Kishorepuria
	Spouse's Brother	Pramod Kumar Kishorepuria

**b) Entities forming a part of Promoter Group**

As on the date of filing of this Draft Red Herring Prospectus, the following entities form part of our Promoter Group:

Sr. No.	Name of the Entity
1)	AGL Glass Private Limited
2)	Bijay Kumar Kishorepuria Private Limited
3)	BMW Logistics Private Limited
4)	BMW Project Private Limited
5)	Dhanrishi Housing Advisory Private Limited
6)	Green Tiger Mobility Private Limited
7)	Jagdamba Value Steels Private Limited
8)	Jai Basukinath Traders Private Limited
9)	Marigold Height Private Limited
10)	Nupur Heights Private Limited
11)	Nupur Venture Private Limited
12)	Patsons Harvest Gold Private Limited
13)	Rachna Heights Private Limited
14)	Unicorn Snacks Private Limited
15)	SCI India Limited
16)	MKT Steel Private Limited
17)	Pratima Developers (India) Private Limited
18)	Regal Tradecon Private Limited
19)	Inservia Biochem Private Limited
20)	Garden Heights Private Limited ( <i>Formerly Known as Nitin Kishorepuria Private Limited</i> )
21)	LA-Monnaie Skills Private Limited
22)	Jackson Developers LLP
23)	Jackson Infracon LLP
24)	Jackson Mercantiles LLP
25)	Jai Basukinath Auto LLP <sup>#</sup>
26)	JBT Realty LLP
27)	Mangrove Real Estate LLP
28)	JBT Real Estate Developers LLP
29)	Snowball Creators LLP
30)	Snowball Heights LLP
31)	Mangrove Heights LLP
32)	BMW Heights LLP <sup>*</sup>
33)	Bijay Kumar Kishorepuria HUF
34)	Nitin Kumar Kishorepuria HUF
35)	Steel Centre Partnership Firm
36)	Pranshi Empire LLP
37)	Mediversal Foundation
38)	Bhagwandas Sagarmal

<sup>\*</sup>Converted in to LLP w.e.f March 21, 2025

<sup>#</sup>Converted in to LLP w.e.f March 23, 2025

Other than as disclosed above, our Company has no other companies or entities that form part of our Promoter Group.

**Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our promoter group as on the date of this Draft Red Herring Prospectus please see “*Details of shareholding of our Promoters and members of the Promoter Group in our Company*” Chapter titled “Capital Structure” on page 105 of this Draft Red Herring Prospectus.



## **Confirmations**

The Company hereby confirms that:

- Our Promoters have not been declared as a Wilful Defaulters or Fraudulent Borrower
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our individual Promoter have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoters are not a promoter, director or person in control of any other company which is prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

## **Related Party Transactions**

For details of related party transactions entered into by our Promoters, Promoter Group and our Company during the last financial three years and financial reporting period, the nature of transactions and the cumulative value of transactions, please refer to “*Note-41-Related Party Transactions*” in the chapter titled “*Restated Financial Statements*” on page 271 of this Draft Red Herring Prospectus.

## **Payment or benefits to our Promoters and Promoter Group**

Except as stated otherwise under "Note 41-Related Party Transactions" in the chapter titled “Restated Financial Statements” on page 271 of this Draft Red Herring Prospectus about the related party transactions entered into during the last three (3) financial years and stub period as per IND AS 24 and in "Interest of our Promoters" disclosed in this Chapter, there has been no other payment or benefit to our Promoter or Promoter Group nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

## **Experience of the Promoters in the business of the Company**

Our Promoters has adequate experience in the business activities undertaken by our Company.

## **Disassociation by the Promoters from entities in last three (3) years**

Our Promoters have not disassociated themselves from any company or firm 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 management and control of our Company during the last five years immediately preceding the date of filing of this Draft Red Herring Prospectus.

## **Material Guarantees**

There are no material guarantees given to third parties by the Promoters with respect to Equity Shares of the Issuer.

## **Outstanding Litigation**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “Outstanding Litigation and Material Developments” beginning on page 357 of this Draft Red Herring Prospectus.

## OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, the term ‘Group Companies’ includes (i) such companies (other than promoter(s) and subsidiary(ies) with which there were related party transactions during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other company, as considered material by our Board.

Subsequently, for (i) above, all such companies (other than Promoters & Subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards, shall be considered as group companies in term of the SEBI ICDR Regulation.

In addition, for the purposes of (ii) above, the Board pursuant to the materiality policy adopted by the Board pursuant to its resolution dated March 25, 2025 has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered ‘material’ and will be disclosed as a ‘group company’ in the Draft Red Herring Prospectus, if (i) it is a member of the promoter group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with the Company as per the latest fiscal covered in the Restated Financial Statement, that individually or cumulatively in value exceeds 10.00% of the Total Revenue of our company for the latest fiscal covered in the Restated Financial Statements.

Accordingly, as based on the parameters outlined above, as on date of this Draft Red Herring Prospectus, our Company has the following Group Companies:

Sr. No.	Group Companies
1)	Jai Basukinath Traders Private Limited
2)	BMW Logistics Private Limited
3)	Jagdamba Value Steels Private Limited
4)	BMW Project Private Limited
5)	Rachna Heights Private Limited
6)	Nupur Heights Private Limited
7)	Mediversal Healthcare Private Limited
8)	BMW Height Private Limited <sup>(1)</sup>
9)	BMW Vyapar Private Limited

<sup>(1)</sup>Converted in to BMW Heights LLP with effect from March 21, 2025

### A. Details of our top Five Group Companies:

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the top Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements for the preceding three years shall be hosted on their respective websites or the website of our Company as indicated below Our Group Companies on the basis of market capitalization / turnover, as the case may be, are as follows:

Sr. No.	Top Group Companies	Registered Office	Website
1)	Jai Basukinath Traders Private Limited	1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004	<a href="https://www.bmwventures.com/bmw.php">https://www.bmwventures.com/bmw.php</a>
2)	BMW Logistics Private Limited	1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004	<a href="https://www.bmwventures.com/bmw.php">https://www.bmwventures.com/bmw.php</a>
3)	BMW Vyapar Private Limited	113, Park Street, 10 <sup>th</sup> Floor, Block-A, Poddar Point, Kolkata-700016	<a href="https://www.bmwventures.com/bmw.php">https://www.bmwventures.com/bmw.php</a>
4)	Nupur Heights Private Limited	1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004	<a href="https://www.bmwventures.com/bmw.php">https://www.bmwventures.com/bmw.php</a>
5)	Mediversal Healthcare Private Limited	Plot No: DS-6, Lohia Nagar, Kankarbagh, Patna - 800020,	<a href="https://www.bmwventures.com/bmw.php">https://www.bmwventures.com/bmw.php</a>

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor the Book Running Lead Manager (“BRLM”) nor any of our Company’s or BRLM’s respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above.

## **B. Details of our other Group Companies**

<b>Sr. No.</b>	<b>Group Companies</b>	<b>Registered Office</b>
1)	Jagdamba Value Steels Private Limited	1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004
2)	BMW Project Private Limited	1st Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004
3)	Rachna Heights Private Limited	10 <sup>th</sup> Floor, Poddar Point, Block A, 113 Park Street, Kolkata - 700016
4)	BMW Height Private Limited <sup>(1)</sup>	1 <sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna - 800004

<sup>(1)</sup> Converted in to BMW Heights LLP with effect from March 21, 2025

### **Outstanding Litigation involving the Group Companies**

As on the date of this Draft Red Herring Prospectus, our Group Companies are not party to any pending litigation which will have a material impact on our Company.

### **Common Pursuits of Group Companies**

Our Group Companies have common pursuits with our Company and are authorized to engage in similar business to that of our Company as on the date of this Draft Red Herring Prospectus. Our Company will adopt the necessary procedure and practices as permitted by law to address any conflict situation, if and when they arise.

For further details, see “*Risk Factors – Internal Risk Factors – Certain of our Directors and Key Managerial Personnel may have interest in entities which are in businesses similar to ours or have objects which would allow them to engage in the business similar to ours. Further, certain entities forming part of our Promoter Group and Group Companies, Joint Venture and Associate are in the same line of business as ours. There are no non-compete agreements between our Company and such Promoter Group Entities, Subsidiaries, Joint Venture, Associate or Group Companies. We cannot assure that the said entity will not expand which may increase our competition, which may adversely affect our business operations and financial condition.*” on page 69.

### **Related business transactions within our Group Companies and significance on the financial performance of the Company**

Other than the transactions as disclosed under “*Note 41 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 271, there are no other related business transactions between our Company and our Group Companies which are significant for the financial performance of our Company.

### **Nature and extent of interests of our Group Companies**

As on the date of this Draft Red Herring Prospectus, our Group Companies do not have any interest in the promotion or formation of our Company. Other than as disclosed under “*Note 41– Related Party Transactions*” under the chapter “Restated Financial Statements” on page 271, our Group Companies do not have any interest in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus. Other than as disclosed under “*Note 41 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 271, our Group Companies do not have any interest in any transaction for the acquisition of land, construction of building, or supply of machinery. Except as disclosed under “*Note 41 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 271 and in the ordinary course of business, our Group Companies do not have or currently propose to have any business interest in our Company.

#### **Utilization of Issue Proceeds**

There are no material existing or anticipated transactions with our Group Companies in relation to utilization of the Issue Proceeds.

#### **Other confirmations**

The equity shares of our Group Companies are not listed on any stock exchange. Further, our Group Companies have not made any public or rights issue or composite issue of securities (as defined under the SEBI ICDR Regulations) in the three years preceding the date of this Draft Red Herring Prospectus.

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

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board to the Shareholders for their approval in the General Meeting, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the provisions of the Companies Act with the applicable rules made thereunder and other relevant regulations, if any, each as amended. Our Company may also, from time to time, pay interim dividends. The dividend distribution policy of our Company (“**Dividend Policy**”) was approved and adopted by our Board at its meeting on March 20, 2024. In terms of the Dividend Policy, the dividend, if any, shall be determined by the Board after taking into account a number of financial parameters, including internal and external factors, including but not limited to, profit earned during the financial year and the profits earned for any previous financial year, Investment in new line of business, corporate action such as mergers/demergers, acquisitions, expansion, significant changes in macro-economic environment, regulatory changes and other factors considered by our board.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. The amounts declared as dividends in the past are not necessarily indicative of our dividend amounts, if any, in the future. For more information on restrictive covenants under our current loan agreements, see “Financial Indebtedness” on page 330.

There is no guarantee that any dividends will be declared or paid. For details, see “Risk Factor-59 Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.” on page 36 of this Draft Red Herring Prospectus.

Our Company has not declared and paid any dividends on the Equity Shares during the period ended December 31, 2024 and during Fiscal 2024, Fiscal 2023 and Fiscal 2022.

However, subsequent to the restated financial statements disclosed in this Draft Red Herring Prospectus, the Company has declared an interim dividend on March 03, 2025, the details pertaining to the dividend declared is mentioned below.

Date of Board Resolution	March 03, 2025
No. of Equity Shares	6,33,15,000
Face Value	₹10.00
Dividend Per Share	₹15.00
Total Amount of Dividend	₹949.72 Lakhs

## SECTION V – FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

#### INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS

To,  
**The Board of Directors,**  
**BMW VENTURES LIMITED**  
1st Floor, Mona Cinema Complex,  
East Gandhi Maidan,  
Patna Bihar - 800004 In

Dear Sirs/Madams,

1. We have examined the attached Restated Financial Statement of **BMW VENTURES LIMITED**, (the “Company” or the “Issuer”), comprising the Restated Statement of Assets and Liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and Restated Statement of Cash Flows for the period ended December 31, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the Summary of Significant Accounting Policies and other explanatory information (collectively, the ‘Restated Financial Information’), as approved by the Board of Directors of the Company at their meeting held on 20<sup>th</sup> February, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India (“ICAI”), (the “Guidance Note”).

#### Management's Responsibility for the Restated Summary Statements

2. The preparation of the Restated Summary Statements, which are to be included in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed IPO is the responsibility of the Management of the Company. The Restated Summary Statements have been prepared by the Management of the Company on the basis of preparation, as stated in Note 2 to the Restated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

#### Auditors' Responsibilities

3. We have examined such Restated Summary Statements taking into consideration:
  - a) The terms of reference and terms of our engagement agreed with you vide our engagement letter dated March 18, 2024, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;
  - b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by ICAI.

- c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Summary 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 Offer.

### **Restated Summary Statements**

4. These Restated Summary Statements have been compiled by the management of the Company from:
  - a) Audited Interim Financial Statements of the Company as at and for the period ended December 31, 2024 which were prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015 and accounting principle generally accepted in India, which have been approved by the Board of Directors at their meeting held on 20<sup>th</sup> February, 2025.
  - b) Audited Financial Statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 & March 31, 2022 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on August 19, 2024, August 29, 2023, August 31, 2022 Respectively.
5. We have Audited the special purpose financial information of the Company for the period ended March 31, 2024 prepared by the Company in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR regulations in relation to proposed IPO. We have issued our report dated February 20, 2025 on this special purpose financial information to the Board of Directors who have approved these Special Purpose Information in their meeting held on February 20, 2025

### **Audit Report**

6. For the purpose of our examination, we have relied on:
 

Auditors' report issued by us, dated February 20, 2025, on the financial Statements of the Company as at and for the period ended December 31, 2024 and audited financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 as referred in Paragraph 4(a) & 4(b) above.
7. Based on our examination and according to the information and explanations given to us, we report that Restated Summary Statements of the Company –
  - i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping / classifications, to the extent applicable followed as at and for the period ended December 31, 2024;
  - ii. does not contain any qualification requiring adjustments.
  - iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note



8. These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates for the special purpose Interim Ind AS Financial Statements and Audited Financial Statements mentioned in the paragraph 4 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for the use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed Issue. Our report should not be used, referred to, or distributed for any other purpose. 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.

**M/s A D V & Associates**

Chartered Accountants

Firm Registration No: 128045W

Sd/-

**CA Pratik Kabra**

Partner

M. No. 611401

UDIN: 25611401BMHWLL3298

Date: 20<sup>th</sup> February, 2025

Place: Patna, Bihar

**Restated Summary Statement of Assets and Liabilities:**

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	10,762.75	8,039.12	6,854.46	5,668.80
Capital Work In Progress	273.60	1,624.72	130.96	-
ROU Assets		-	420.38	458.82
Investment Properties	2,605.39	2,508.34	2,477.87	2,044.37
Intangible Assets	28.42	36.35	46.91	51.89
Financial Assets				
(i) Investments				
(ii) Others	293.42	137.00	526.64	406.81
Other Non-Current Assets	284.89	259.17	562.53	632.48
<b>Total Non-Current Assets</b>	<b>14,248.46</b>	<b>12,604.69</b>	<b>11,019.75</b>	<b>9,263.17</b>
<b>Current Assets</b>				
Inventories	32,733.33	32,067.46	23,459.08	12,430.29
Financial Assets				
(i) Investments	236.18	175.34	121.44	8.34
(ii) Trade Receivables	20,961.96	14,100.29	10,993.34	10,766.88
(iii) Cash and Cash Equivalents	114.88	52.86	27.94	563.44
(iv) Bank balances other than (ii) above	211.80	387.74	-	117.21
(v) Loans and advances	1,055.17	2,672.43	48.46	85.11
Other Current Assets	1,333.91	2,530.43	2,389.85	1,453.20
Income Tax Assets (net)	-	23.55	118.80	145.98
<b>Total Current Assets</b>	<b>56,647.22</b>	<b>52,010.10</b>	<b>37,158.91</b>	<b>25,570.45</b>
<b>Total Assets</b>	<b>70,895.68</b>	<b>64,614.79</b>	<b>48,178.66</b>	<b>34,833.63</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	6,331.50	6,331.50	1,582.88	1,582.88
Other Equity	14,519.31	12,339.31	14,064.82	10,848.74
<b>Total Equity</b>	<b>20,850.81</b>	<b>18,670.81</b>	<b>15,647.70</b>	<b>12,431.62</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	3,422.06	4,503.96	4,145.49	2,529.30
(ii) Lease Liabilities	-	-	368.38	392.58
(iii) Other	32.00	20.00	25.00	21.00
Provisions	126.71	67.34	87.18	39.01
Deferred Tax Liabilities (net)	514.54	313.40	208.23	212.73
<b>Total Non-Current Liabilities</b>	<b>4,095.30</b>	<b>4,904.70</b>	<b>4,834.29</b>	<b>3,194.62</b>
<b>Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	40,650.12	35,025.70	24,212.95	13,799.29
(ii) Lease Liabilities	-	-	60.00	88.26
(iii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	2,644.78	2,387.48	527.77	295.88
(iv) Other Financial Liabilities	887.65	995.66	1,781.61	3,440.50

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Other Current Liabilities	1,645.60	2,571.92	1,070.59	1,544.92
Provisions	63.36	58.51	43.76	38.55
Current Tax Liabilities (Net)	58.06	-	-	-
<b>Total Current Liabilities</b>	<b>45,949.57</b>	<b>41,039.27</b>	<b>27,696.67</b>	<b>19,207.39</b>
<b>Total Equity and Liabilities</b>	<b>70,895.68</b>	<b>64,614.79</b>	<b>48,178.66</b>	<b>34,833.63</b>

**For A D V & Associates**  
**Chartered Accountants**  
**Firm's Registration: 128045W**

Sd/-  
**Pratik Kabra**  
**Partner**  
**Membership number: 611401**  
**UDIN: 25611401BMHWLL3298**

**Place: Patna**  
**Date: February 20, 2025**

**For and on behalf of the Board of Directors of**  
**BMW Ventures Limited**

Sd/-  
**Bijay Kumar Kishorepuria**  
**Director**  
**DIN: 00626283**

Sd/-  
**Birendra Yadav**  
**Chief Financial Officer**  
**PAN: AJIPK7925P**

Sd/-  
**Nitin Kishorepuria**  
**Managing Director**  
**DIN: 00626377**

Sd/-  
**Ruchika Maheshwari**  
**Company Secretary**  
**PAN: CTLPM1352F**

**Restated Summary Statement of Profit and Loss:**

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Income</b>				
Revenue From Operations	1,47,717.92	1,93,819.63	2,01,509.72	1,56,358.80
Other Income	324.74	383.52	302.51	284.95
<b>Total Income</b>	<b>1,48,042.65</b>	<b>1,94,203.15</b>	<b>2,01,812.23</b>	<b>1,56,643.75</b>
<b>Expenses</b>				
Cost of Material Consumed	351.13	1,780.50	662.11	486.33
Purchase of stock in Trade	1,33,876.88	1,83,847.15	1,97,426.61	1,43,016.47
Changes in Inventories	(652.34)	(8,575.21)	(11,296.27)	(550.37)
Employee Benefit Expenses	1,151.68	2,014.64	1,902.14	1,672.04
Finance Costs	2,858.86	2,799.27	2,065.15	1,642.09
Depreciation Expense	356.09	419.69	395.51	473.23
Other Expenses	7,005.17	7,880.40	6,333.05	5,604.57
<b>Total Expenses</b>	<b>1,44,947.48</b>	<b>1,90,166.44</b>	<b>1,97,488.29</b>	<b>1,52,344.35</b>
<b>Profit Before Tax</b>	<b>3,095.18</b>	<b>4,036.70</b>	<b>4,323.94</b>	<b>4,299.40</b>
<b>Tax Expense</b>				
Current Tax	705.14	947.95	1,045.83	1,045.34
Tax provisions for earlier year				
Deferred Tax	203.38	95.22	12.24	60.05
<b>Total Tax Expense</b>	<b>908.52</b>	<b>1,043.16</b>	<b>1,058.08</b>	<b>1,105.39</b>
<b>Profit for the period</b>	<b>2,186.66</b>	<b>2,993.54</b>	<b>3,265.86</b>	<b>3,194.01</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Re-measurement gain/(loss) on defined benefit plans	(8.91)	39.53	(66.51)	18.15
Income tax relating to re-measurement gain on defined benefit plans	2.24	(9.95)	16.74	(4.57)
<b>Total Other Comprehensive Income</b>	<b>(6.66)</b>	<b>29.58</b>	<b>(49.77)</b>	<b>13.59</b>
<b>Total Comprehensive Income</b>	<b>2,180.00</b>	<b>3,023.12</b>	<b>3,216.09</b>	<b>3,207.60</b>
<b>Earnings Per Share (In Rs)</b>				
(1) Basic	3.45	4.73	5.16	5.04
(2) Diluted	3.45	4.73	5.16	5.04

**For A D V & Associates**  
**Chartered Accountants**  
**Firm's Registration: 128045W**

Sd/-  
**Pratik Kabra**  
**Partner**  
**Membership number: 611401**  
**UDIN: 25611401BMHWLL3298**

**Place: Patna**  
**Date: February 20, 2025**

**For and on behalf of the Board of Directors of**  
**BMW Ventures Limited**

Sd/-  
**Bijay Kumar Kishorepuria**  
**Director**  
**DIN: 00626283**

Sd/-  
**Birendra Yadav**  
**Chief Financial Officer**  
**PAN: AJIPK7925P**

Sd/-  
**Nitin Kishorepuria**  
**Managing Director**  
**DIN: 00626377**

Sd/-  
**Ruchika Maheshwari**  
**Company Secretary**  
**PAN: CTLPM1352F**

## Restated Summary Statement of Cash Flows

(₹ in lakhs, unless stated otherwise)

Particulars	As at December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Cash Flow From Operating Activities</b>				
Profit before tax	3,095.18	4,036.70	4,323.94	4,299.40
<b>Adjustments for:</b>				
Depreciation expense	356.09	419.69	395.51	473.23
Finance Costs	2,858.86	2,799.27	2,065.15	1,642.09
Interest Income	(70.60)	(119.75)	(89.79)	(97.80)
(Profit)/Loss on sale of property, plant and equipment's	-	-	(2.28)	2.21
Fair Value gain and loss	(2.73)	(1.60)	(66.51)	18.15
<b>Operating profit before working capital changes</b>	<b>6,236.80</b>	<b>7,134.30</b>	<b>6,626.02</b>	<b>6,337.28</b>
<b>Adjustments for:</b>				
Decrease/(Increase) in Inventories	(665.87)	(8,608.38)	(11,028.79)	(1,130.43)
Decrease/(Increase) in Loans	1,617.26	(2,623.97)	352.05	(85.11)
Decrease/(Increase) in Trade Receivables	(6,861.67)	(3,106.95)	(226.46)	126.12
Decrease/(Increase) in Other Financial Assets	(20.06)	25.01	(5.51)	29.65
Decrease/(Increase) in Other assets	1,170.81	162.78	(936.65)	(1,366.18)
Increase/(Decrease) in Trade Payables	257.30	1,859.71	231.89	(180.51)
Increase/(Decrease) in Other Financial Liabilities	(96.01)	(790.95)	(1,654.89)	1,256.80
Increase/(Decrease) in Other Liabilities	(926.32)	1,501.33	(474.33)	171.15
Increase/(Decrease) in Provisions	73.12	(5.08)	53.37	(99.05)
<b>Cash Flow from Operating Activities Post Working Capital Changes</b>	<b>785.36</b>	<b>(4,452.20)</b>	<b>(7,063.29)</b>	<b>5,059.72</b>
Direct taxes	(623.53)	(852.69)	(1,030.47)	(1,103.45)
<b>Net cash flow from operating activities (A)</b>	<b>161.83</b>	<b>(5,304.89)</b>	<b>(8,093.76)</b>	<b>3,956.27</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Property Plant and Equipment	(1,817.72)	(2,697.63)	(2,108.84)	(2,585.65)
Sale of Property Plant and Equipment	-	-	8.91	46.99
Investment in Fixed Deposits	39.58	(23.11)	2.89	(59.24)
Interest received	70.60	119.75	89.79	97.80
Increase/(Decrease) in Investment	(58.11)	(50.18)	(113.10)	(8.16)
<b>Net cash used in investing activities (B)</b>	<b>(1,765.65)</b>	<b>(2,651.17)</b>	<b>(2,120.35)</b>	<b>(2,508.26)</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from Borrowings	4,542.51	11,171.22	12,029.85	(753.76)
Interest paid	(2,858.86)	(2,799.27)	(2,065.15)	(1,642.09)
Less: Principle	-	(390.97)	17.50	(393.61)
<b>Net cash used in financing activities (C)</b>	<b>1,683.65</b>	<b>7,980.98</b>	<b>9,982.21</b>	<b>(2,789.46)</b>
<b>Net Increase in cash and cash Equivalents (A+B+C)</b>	<b>79.83</b>	<b>24.92</b>	<b>(231.91)</b>	<b>(1,341.45)</b>
<b>Cash and cash equivalents as at beginning of the Period</b>	<b>52.86</b>	<b>27.94</b>	<b>563.44</b>	<b>858.69</b>
<b>Cash and cash equivalents as at end of the Period</b>	<b>114.88</b>	<b>52.86</b>	<b>27.94</b>	<b>563.44</b>
<b>Net Increase in cash and Cash Equivalents</b>	<b>62.02</b>	<b>24.92</b>	<b>(535.50)</b>	<b>(295.25)</b>

For A D V & Associates  
Chartered Accountants  
Firm's Registration: 128045W

For and on behalf of the Board of Directors of  
BMW Ventures Limited

Sd/-  
**Pratik Kabra**  
Partner  
Membership number: 611401  
UDIN: 25611401BMHWLL3298

Sd/-  
**Bijay Kumar Kishorepuria**  
Director  
DIN: 00626283

Sd/-  
**Nitin Kishorepuria**  
Managing Director  
DIN: 00626377

Sd/-  
**Birendra Yadav**  
Chief Financial Officer  
PAN: AJIPK7925P

Sd/-  
**Ruchika Maheshwari**  
Company Secretary  
PAN: CTLP1352F

Place: Patna  
Date: February 20, 2025

(a) Equity Share Capital

As at December 31, 2024

(₹ in lakhs)

Particulars	Number of Shares	Amount
Issued, Subscribed & Fully Paid up (Equity Shares of Rs.10/- each)		
Opening Balance	63,315,000	6,331.50
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	63,315,000	6,331.50
Closing Balance	63,315,000	6,331.50

Fiscal 2024

(₹ in lakhs)

Particulars	Number of Shares	Amount
Issued, Subscribed & Fully Paid up (Equity Shares of Rs.10/- each)		
Opening Balance	158,287,500	1,582.88
Changes in equity share capital during the year- Consolidation of Shares	(142,458,750)	-
Changes in equity share capital during the year- Bonus shares issued	47,486,250	4,748.63
Closing Balance	63,315,000	6,331.50

Fiscal 2023

(₹ in lakhs)

Particulars	Number of Shares	Amount
Issued, Subscribed & Fully Paid up (Equity Shares of Rs.1/- each)		
Opening Balance	15,828,750	1,582.88
Changes in equity share capital during the year- Sub-division of Share	142,458,750	-
Closing Balance	158,287,500	1,582.88

Fiscal 2022

(₹ in lakhs)

Particulars	Number of Shares	Amount
Issued, Subscribed & Fully Paid up (Equity Shares of Rs.10/- each)		
Opening Balance	15,828,750	1,582.88
Changes in equity share capital during the year	-	-
Closing Balance	15,828,750	1,582.88

(b) Other Equity

Reserves & Surplus

(₹ in lakhs)

Particulars	Retained Earnings	General Reserves	Other Comprehensive Income	Total
Balance as at 1st April, 2021	2,636.80	5,000.00	4.34	7,641.14
Profit for the year	3,194.01	-	13.59	3,207.60
Transfer to General Reserve	(2,500.00)	2,500.00	-	-
Balance as at 31st March 2022	3,330.81	7,500.00	17.93	10,848.74

(₹ in lakhs)

Particulars	Retained Earnings	General Reserves	Other Comprehensive Income	Total
<b>Balance as at 1st April 2022</b>	<b>3,330.81</b>	<b>7,500.00</b>	<b>17.93</b>	<b>10,848.74</b>
Profit/(loss) for the year	3,265.86	-	(49.77)	3,216.09
Transfer to General Reserve	(2,500.00)	2,500.00	-	-
<b>Balance as at 31st March 2023</b>	<b>4,096.67</b>	<b>10,000.00</b>	<b>(31.85)</b>	<b>14,064.82</b>

(₹ in lakhs)

Particulars	Retained Earnings	General Reserves	Other Comprehensive Income	Total
<b>Balance as at 1st April 2023</b>	<b>4,096.67</b>	<b>10,000.00</b>	<b>(31.85)</b>	<b>14,064.82</b>
Profit/(loss) for the year	2,993.54	-	29.58	3,023.12
Transfer to General Reserve	(2,248.63)	2,248.63	-	-
Bonus issued During the year*	-	(4,748.63)	-	<b>(4,748.63)</b>
<b>Balance as at 31st March 2024</b>	<b>4,841.58</b>	<b>7,500.00</b>	<b>(2.27)</b>	<b>12,339.31</b>

\* The Company allotted 4,74,86,250 equity shares as fully paid up bonus shares by capitalisation of profits transferred from General Reserve amounting to 4,748.63 Lakh in the month of March, 2024, pursuant to an Special resolution passed after taking the consent of shareholders in Extra Ordinary General Meeting."

(₹ in lakhs)

Particulars	Retained Earnings	General Reserves	Other Comprehensive Income	Total
<b>Balance as at 1st April 2024</b>	<b>4,841.58</b>	<b>7,500.00</b>	<b>(2.27)</b>	<b>12,339.31</b>
Profit/(loss) for the year	2,186.66	-	(6.66)	2,180.00
Transfer to General Reserve	-	-	-	-
<b>Balance as at 31st December 2024</b>	<b>7,028.24</b>	<b>7,500.00</b>	<b>(8.93)</b>	<b>14,519.31</b>

For A D V & Associates  
Chartered Accountants  
Firm's Registration: 128045W

For and on behalf of the Board of Directors of  
BMW Ventures Limited

Sd/-  
**Pratik Kabra**  
Partner  
Membership number: 611401  
UDIN: 25611401BMHWLL3298

Sd/-  
**Bijay Kumar Kishorepuria**  
Director  
DIN: 00626283

Sd/-  
**Nitin Kishorepuria**  
Managing Director  
DIN: 00626377

Sd/-  
**Birendra Yadav**  
Chief Financial Officer  
PAN: AJIPK7925P

Sd/-  
**Ruchika Maheshwari**  
Company Secretary  
PAN: CTLPM1352F

Place: Patna  
Date: February 20, 2025



## **1. Corporate information**

BMW Ventures Limited is a public company domiciled in India and incorporated and established on October 07, 1994 under the provisions of the Companies Act, 1956. The Company primarily deals in trading of iron & steel, material of Tata Steel and Tractor from John Deere-India, manufacturing of PVC pipes in the state of Bihar And rentals of Construction Equipments.

## **2. Basis of preparation**

### **a) Statement of compliance:**

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act").

The financial statements were authorised for issue by the Board of Director on February 20, 2025.

Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (₹), as per the requirements of Schedule III of the Act, unless otherwise stated.

### **b) Basis of measurement:**

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

### **c) Significant accounting judgements, estimates and assumptions**

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

### **d) Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

### **i. Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### **ii. Employee benefit plans**

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation 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 and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **iii. Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

### **iv. Property Plant and Equipment**

Useful life and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

## **3. Significant accounting policies**

### **3.1. PROPERTY, PLANT & EQUIPMENTS**

#### **Recognition and initial measurement**

"Property, plant and equipment are stated at their cost of acquisition or construction less accumulated depreciation and impairment, if any. Freehold land is measured at cost and is not depreciated.

Cost comprises purchase price, non-recoverable taxes and duties, labour cost, direct overhead for self-constructed assets, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred."

#### **Subsequent measurement (depreciation and useful life)**

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using written down value method using rates determined based on management's assessment of useful economic life of the asset.

Followings are the estimated useful life of various category of assets used which are aligned with useful life defined in schedule II of Companies Act,2013:

Office Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computers	3 Years
Solar	35 Years

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Derecognition:**

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

**Capital work-in-progress (CWIP)**

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

**3.2. LEASES**

At inception of a contract, the Company assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset –this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises 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 of 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 and estimated dilapidation costs, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straight line basis over the expected useful life of the leased asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments.

Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise

termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs.

Payment made towards short term leases (leases for which non-cancellable term is 12 months or lesser) and low value assets (lease of assets worth less than ₹0.03 crore) are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases."

#### **Lessor:**

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms & substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### **The following amounts are included in the Balance Sheet:**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Non-current	-	-	368.38	392.58
Current	-	-	60.00	88.26
<b>Total</b>	-	-	<b>428.38</b>	<b>480.83</b>

#### **The following amounts are recognised in the statement of profit and loss:**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Interest Expenses on Lease Liabilities	-	-	35.81	44.78
<b>Total</b>	-	-	<b>35.81</b>	<b>44.78</b>

### **3.3. OTHER INTANGIBLE ASSETS**

#### **Recognition of Intangible Assets**

Intangible assets purchased are measured at cost or fair value as on the date of acquisition less accumulated amortisation and impairment, if any.

#### **Subsequent Measurement**

Amortisation is provided on a straight-line basis over estimated useful life of the intangible assets as per details below:

#### **Estimated amortisation (Period Software 6 years)**

The amortisation period for intangible assets with finite useful life is reviewed at each year-end. Changes in expected useful life is treated as changes in accounting estimates.

### **Derecognition of intangible assets**

An item of intangible assets is derecognized on disposal or when fully amortized and no longer in use. Any gain or loss arising from derecognition of an item of intangible assets is included in profit or loss.

### **3.4. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

### **3.5. Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

### **3.6. INVENTORIES**

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a FIFO basis. Cost, including fixed and variable production overheads, are allocated to working-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

### **3.7. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### **3.8. Provisions, Contingent Liabilities and Contingent Assets**

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

#### **Contingent Liabilities and Contingent Assets**

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

### **3.9. Income tax**

Income tax expense comprises current tax and deferred tax.

#### **Current tax:**

"Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate."

#### **Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

### **3.10. Revenue Recognition**

"The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

*A 5-step approach is used to recognise revenue as below:*

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation"

#### **a. Sale of products**

"The Company recognises revenues on the sale of products, net of discounts, sales incentives, customer bonuses and rebates granted, when products are delivered to dealers or customers.

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions."

#### **Freight services**

"Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on services such as Goods and service tax"

#### **Interest income**

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

### **3.11. Employee Benefits**

#### **Short-term Employee Benefits:**

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled."



## **Post-employment benefit plans:**

### **Defined Contribution Plans:**

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

### **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity scheme is a defined benefit plan. Currently, the Company's gratuity scheme is unfunded. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost are determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes In Equity. "

### **3.12. Fair value measurement**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Company.

### **Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **3.13. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **a) Financial assets**

#### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### **Subsequent measurement**

"For purposes of subsequent measurement, financial assets are classified in five categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) "

#### **Debt instruments at amortised cost**

"A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation and losses arising from impairment are recognised in the Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any."

#### **Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Company has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss."

#### **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor

retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss."

### **Impairment of financial assets**

"In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g. Loans and trade receivables."

"The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition."

### **b) Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

#### **Subsequent measurement**

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

#### **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

### **3.14. Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

### **3.15. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **3.16. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

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#### 4. Property, plant and equipment

(₹ in lakhs)

Description	Lease Hold land	Free Hold land	Buildings	Plant and equipment	Solar Plant	Furniture and Fittings	Vehicles - Others	Office Equipments	Electrical Installation	Computers	Equipment s for Rental	Total Owned assets	Intangib le assets	Right-of- use assets Building
<b>Gross block</b>														
Balance as at 01 April 2021	210.00	-	4,471.89	1,427.92	106.98	124.50	260.50	262.34	123.69	101.64	-	7,089.47	42.75	718.52
Additions	-	-	55.57	232.04	69.78	0.80	100.63	26.42	15.40	9.32	-	509.96	18.93	63.82
Disposals	-	-	-	150.13	-	12.97	6.63	3.99		5.26	-	178.99	-	
<b>Balance as at 31 March 2022</b>	<b>210.00</b>	<b>-</b>	<b>4,527.46</b>	<b>1,509.82</b>	<b>176.76</b>	<b>112.34</b>	<b>354.50</b>	<b>284.76</b>	<b>139.09</b>	<b>105.71</b>	<b>-</b>	<b>7,420.44</b>	<b>61.68</b>	<b>782.34</b>
Balance as at 01 April 2022	210.00	-	4,527.46	1,509.82	176.76	112.34	354.50	284.76	139.09	105.71	-	7,420.44	61.68	782.34
Additions	-	931.66	142.98	376.49	-	19.44	0.67	40.81	-	15.92	-	1,527.97	4.94	-
Disposals	-			2.37			6.54				-	8.91	-	
<b>Balance as at 31 March 2023</b>	<b>210.00</b>	<b>931.66</b>	<b>4,670.44</b>	<b>1,883.94</b>	<b>176.76</b>	<b>131.77</b>	<b>348.64</b>	<b>325.57</b>	<b>139.09</b>	<b>121.62</b>	<b>-</b>	<b>8,939.50</b>	<b>66.62</b>	<b>782.34</b>
Balance as at 01 April 2023	210.00	931.66	4,670.44	1,883.94	176.76	131.77	348.64	325.57	139.09	121.62	-	8,939.50	66.62	782.34
Additions	-	76.42	218.26	267.51	-	6.00	47.96	24.31	29.87	15.04	894.71	1,580.07	-	(782.34)
Disposals	-						-					-	-	
<b>Balance as at 31 March 2024</b>	<b>210.00</b>	<b>1,008.08</b>	<b>4,888.70</b>	<b>2,151.45</b>	<b>176.76</b>	<b>137.77</b>	<b>396.60</b>	<b>349.88</b>	<b>168.95</b>	<b>136.66</b>	<b>894.71</b>	<b>10,519.57</b>	<b>66.62</b>	<b>-</b>
Balance as at 01 April 2024	210.00	1,008.08	4,888.70	2,151.45	176.76	137.77	396.60	349.88	168.95	136.66	894.71	10,519.57	66.62	-
Additions		83.27	2,380.10	451.97		0.47	95.10	32.96	15.90	3.99		3,063.77		-
Disposals	-						2.25					2.25	-	
<b>Balance as at 31 December 2024</b>	<b>210.00</b>	<b>1,091.36</b>	<b>7,268.80</b>	<b>2,603.42</b>	<b>176.76</b>	<b>138.25</b>	<b>489.45</b>	<b>382.84</b>	<b>184.86</b>	<b>140.65</b>	<b>894.71</b>	<b>13,581.08</b>	<b>66.62</b>	<b>-</b>
<b>Depreciation</b>														
Balance as at 01 April 2021	-		570.92	416.45	3.20	86.25	140.70	205.67	69.43	89.40		1,582.02	0.98	170.91
Depreciation for the year	-		141.04	85.63	2.93	8.70	30.52	21.68	5.99	5.13		301.62	8.81	152.61
Depreciation on disposals				109.70	-	9.37	6.15	2.19		4.59		132.00	-	
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>-</b>	<b>711.96</b>	<b>392.38</b>	<b>6.13</b>	<b>85.58</b>	<b>165.06</b>	<b>225.16</b>	<b>75.42</b>	<b>89.94</b>		<b>1,751.63</b>	<b>9.79</b>	<b>323.52</b>
Balance as at 01 April 2022	-	-	711.96	392.38	6.13	85.58	165.06	225.16	75.42	89.94		1,751.63	9.79	323.52
Depreciation for the year			141.91	107.55	4.80	8.99	32.09	21.44	8.69	7.93		333.41	9.92	38.44
Depreciation on disposals												-	-	-
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>853.87</b>	<b>499.93</b>	<b>10.93</b>	<b>94.57</b>	<b>197.15</b>	<b>246.60</b>	<b>84.11</b>	<b>97.88</b>		<b>2,085.04</b>	<b>19.71</b>	<b>361.96</b>
Balance as at 01 April 2023	-	-	853.87	499.93	10.93	94.57	197.15	246.60	84.11	97.88	-	2,085.04	19.71	361.96
Depreciation for the year	-	-	147.57	122.75	4.80	2.88	33.07	22.21	8.01	12.01	42.10	395.40	10.56	(361.96)
Depreciation on disposals												-		
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>-</b>	<b>1,001.44</b>	<b>622.68</b>	<b>15.72</b>	<b>97.45</b>	<b>230.22</b>	<b>268.82</b>	<b>92.12</b>	<b>109.89</b>	<b>42.10</b>	<b>2,480.44</b>	<b>30.27</b>	<b>-</b>

Description	Lease Hold land	Free Hold land	Buildings	Plant and equipment	Solar Plant	Furniture and Fittings	Vehicles - Others	Office Equipments	Electrical Installation	Computers	Equipment s for Rental	Total Owned assets	Intangib le assets	Right-of- use assets
														Building
<b>Balance as at 01 April 2024</b>	-	-	1,001.44	622.68	15.72	97.45	230.22	268.82	92.12	109.89	42.10	2,480.44	30.27	-
Depreciation for the year			122.62	107.76	3.60	3.12	26.78	18.54	7.77	6.23	41.47	337.89	7.93	-
Depreciation on disposals														
<b>Balance as at 31 December 2024</b>	-	-	1,124.07	730.43	19.32	100.58	257.00	287.36	99.89	116.11	83.58	2,818.33	38.20	-
<b>Net block</b>														
<b>As At 31 December 2024</b>	<b>210.00</b>	<b>1,091.36</b>	<b>6,144.74</b>	<b>1,872.99</b>	<b>157.44</b>	<b>37.67</b>	<b>232.45</b>	<b>95.48</b>	<b>84.96</b>	<b>24.53</b>	<b>811.13</b>	<b>10,762.75</b>	<b>28.42</b>	<b>-</b>
<b>As At 31 March 2024</b>	<b>210.00</b>	<b>1,008.08</b>	<b>3,887.26</b>	<b>1,528.78</b>	<b>161.03</b>	<b>40.32</b>	<b>166.38</b>	<b>81.06</b>	<b>76.83</b>	<b>26.77</b>	<b>852.60</b>	<b>8,039.12</b>	<b>36.35</b>	<b>-</b>
<b>As At 31 March 2023</b>	<b>210.00</b>	<b>931.66</b>	<b>3,816.57</b>	<b>1,384.01</b>	<b>165.83</b>	<b>37.21</b>	<b>151.49</b>	<b>78.97</b>	<b>54.98</b>	<b>23.75</b>	<b>-</b>	<b>6,854.46</b>	<b>46.91</b>	<b>420.38</b>
<b>As At 31 March 2022</b>	<b>210.00</b>	<b>-</b>	<b>3,815.50</b>	<b>1,117.44</b>	<b>170.62</b>	<b>26.76</b>	<b>189.44</b>	<b>59.60</b>	<b>63.67</b>	<b>15.76</b>	<b>-</b>	<b>5,668.80</b>	<b>51.89</b>	<b>458.82</b>

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## Capital Work is Progress

As at December 2024

(₹ in lakhs)

Particulars	Amount in capital work in progress for period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Project in Progress	221.10	52.50	-	-	273.60
<b>Total</b>	221.10	52.50	-	-	273.60

As at March 2024

(₹ in lakhs)

Particulars	Amount in capital work in progress for period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Project in Progress	1,493.75	130.96	-	-	1,624.72
<b>Total</b>	1,493.75	130.96	-	-	1,624.72

As at March 31, 2023

(₹ in lakhs)

Particulars	Amount in capital work in progress for period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Project in Progress	130.96	-	-	-	130.96
<b>Total</b>	130.96	-	-	-	130.96

As at March 31, 2022

(₹ in lakhs)

Particulars	Amount in capital work in progress for period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Project in Progress	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## 5. Investment Properties

(₹ in lakhs)

Particulars	Freehold Land	Factory Building	Electrical Installation	Total
<b>Balance as at 01 April 2021</b>	-	-	-	-
Additions	1,624.87	424.69	5.00	2,054.56
Deletion	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,624.87</b>	<b>424.69</b>	<b>5.00</b>	<b>2,054.56</b>
<b>Balance as at 01 April 2022</b>	<b>1,624.87</b>	<b>424.69</b>	<b>5.00</b>	<b>2,054.56</b>
Additions	159.05	287.45	0.75	447.24
Deletion	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>1,783.92</b>	<b>712.13</b>	<b>5.75</b>	<b>2,501.80</b>
<b>Balance as at 01 April 2023</b>	<b>1,783.92</b>	<b>712.13</b>	<b>5.75</b>	<b>2,501.80</b>
Additions	44.19	-	-	44.19
Deletions	-	-	-	-
<b>Balance As at 31 March 2024</b>	<b>1,828.11</b>	<b>712.13</b>	<b>5.75</b>	<b>2,545.99</b>
<b>Balance as at 01 April 2024</b>	<b>1,828.11</b>	<b>712.13</b>	<b>5.75</b>	<b>2,545.99</b>



Particulars	Freehold Land	Factory Building	Electrical Installation	Total
Additions	107.33	0.00	0.00	107.33
Deletions				
<b>Balance As at 31 December 2024</b>	<b>1,935.43</b>	<b>712.13</b>	<b>5.75</b>	<b>2,653.32</b>
Depreciation				
<b>Balance as at 01 April 2020</b>	-	-	-	-
Depreciation for the year	-	-	-	-
Depreciation on disposals	-	-	-	-
<b>Balance as at 31 March 2021</b>	-	-	-	-
<b>Balance as at 01 April 2021</b>	-	-	-	-
Depreciation for the year	-	9.94	0.25	10.19
Depreciation on disposals	-	-	-	-
<b>Balance as at 31 March 2022</b>	-	<b>9.94</b>	<b>0.25</b>	<b>10.19</b>
<b>Balance as at 01 April 2022</b>	-	<b>10</b>	<b>0</b>	<b>10.19</b>
Depreciation for the year		13.44	0.30	13.74
Depreciation on disposals				
<b>Balance as at 31 March 2023</b>	-	<b>23.38</b>	<b>0.55</b>	<b>23.93</b>
<b>Balance as at 01 April 2023</b>	-	<b>23.38</b>	<b>0.55</b>	<b>23.93</b>
Depreciation for the year	-	13.44	0.28	13.72
Depreciation on disposals				
<b>Balance as at 31 March 2024</b>	-	<b>36.83</b>	<b>0.83</b>	<b>37.65</b>
<b>Balance as at 01 April 2024</b>	-	<b>36.83</b>	<b>0.83</b>	<b>37.65</b>
Depreciation for the year		10.08	0.20	10.28
Depreciation on disposals				
<b>Balance as at 31 December 2024</b>	-	<b>46.91</b>	<b>1.02</b>	<b>47.93</b>
Balance as at 31 March 2024	1,935.43	665.23	4.73	2,605.39
Balance as at 31 March 2024	1,828.11	675.31	4.92	2,508.34
Balance as at 31 March 2023	1,783.92	688.75	5.20	2,477.87
Balance as at 31 March 2022	1,624.87	414.74	4.75	2,044.37

b. Disclosure Relating to Amount recognised in statement of Profit and loss

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Rental Income from Investment Properties</b>	<b>101.47</b>	<b>132.65</b>	<b>128.80</b>	<b>88.86</b>
less : Direct Operating Expenses incurred to generate Rental Income	13.79	1.25	20.99	5.04
<b>Profit before depreciation from Investment Properties</b>	<b>87.68</b>	<b>131.39</b>	<b>107.81</b>	<b>83.82</b>
less : Depreciation on Investment Properties during the Year	10.28	13.72	13.74	9.94
<b>Profit from investment Properties</b>	<b>77.40</b>	<b>117.67</b>	<b>94.07</b>	<b>73.88</b>

6. Other non-current financial assets

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Unsecured, considered good, unless otherwise stated</b>				
Security Deposits	78.09	58.03	83.03	77.52
Deposits with bank with maturity more than 12 months	215.34	78.97	443.60	329.29

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Total</b>	<b>293.42</b>	<b>137.00</b>	<b>526.64</b>	<b>406.81</b>

#### 7. Other non-current assets

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Prepaid Lease	-	-	359.03	372.33
Advance for Capital Goods	284.89	259.17	203.50	260.15
<b>Total</b>	<b>284.89</b>	<b>259.17</b>	<b>562.53</b>	<b>632.48</b>

#### 8. Inventories

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Raw Materials	368.85	355.31	322.14	589.62
Finished Goods	422.44	434.22	385.26	163.65
Stock in Trade	31,942.05	31,277.93	22,751.68	11,677.02
<b>Total</b>	<b>32,733.33</b>	<b>32,067.46</b>	<b>23,459.08</b>	<b>12,430.29</b>

#### 9. Investment

(₹ in lakhs)

Investment	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Investment in Equity shares (cost 805)	0.07	0.11	0.08	0.09
Investment in Partnership Firm BMW Hardware & steel	106.13	106.92	76.52	8.26
Investment in Gold	129.99	68.31	44.85	-
<b>Total</b>	<b>236.18</b>	<b>175.34</b>	<b>121.44</b>	<b>8.34</b>

Investment made of 100 shares of flex food limited bought at Rs.8.05 per share having market value on 31/12/2024 Rs.71.67 per share (on 31/03/2024 Rs.110.05 per share)

#### 10. Trade receivables

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Unsecured</b>				
Considered good				
Less than 6 Months	18,909.27	12,870.88	10,099.33	10,480.61
6 months to 1 year	826.51	407.85	515.44	355.03
More than 1 year	1,728.85	1,428.20	958.02	457.39
Credit impaired				
	21,464.63	14,706.93	11,572.78	11,293.03
Less: Allowance for Doubtful Receivables	(502.67)	(606.64)	(579.44)	(526.15)
<b>Total</b>	<b>20,961.96</b>	<b>14,100.29</b>	<b>10,993.34</b>	<b>10,766.88</b>

(a) Trade receivables are non-interest bearing and are generally on credit terms of 15 to 45days.

(b) Aging of Trade Receivables

**Outstanding from due date of payment/From date of transaction**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
(i) Undisputed Trade Receivables – considered good				
Less than 6 months	18,866.07	12,779.42	10,043.12	9,954.46
6 months - 1 year	764.67	321.12	441.75	355.03
1-2 years	369.01	364.69	223.92	227.97
2-3 years	199.46	199.46	107.82	120.91
More than 3 years	762.74	435.60	176.71	108.51
	20,961.96	14,100.29	10,993.34	10,766.88
(ii) Undisputed Trade Receivables – credit impaired				
Less than 6 months	43.20	91.46	56.21	62.41
6 months - 1 year	61.84	86.74	73.68	61.47
1-2 years	96.14	153.76	129.74	137.58
2-3 years	80.83	80.83	107.82	120.91
More than 3 years	190.57	181.52	176.71	108.51
	472.58	594.30	544.17	490.88
(iii) Disputed Trade Receivables – considered good				
Less than 6 months		-	-	-
6 months - 1 year		-	-	-
1-2 years		-	-	-
2-3 years		-	-	-
More than 3 years	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired				
Less than 6 months		-	-	-
6 months - 1 year		-	-	-
1-2 years		-	-	-
2-3 years		-	-	-
More than 3 years	30.09	12.35	35.27	35.27
	30.09	12.35	35.27	35.27
(v) Unbilled dues				-
Total Debtor	21,464.63	14,706.93	11,572.78	11,293.03
<b>Less: Provision for doubtful receivables</b>	(502.67)	(606.64)	(579.44)	(526.15)
	20,961.96	14,100.29	10,993.34	10,766.88
<b>Total</b>	<b>20,961.96</b>	<b>14,100.29</b>	<b>10,993.34</b>	<b>10,766.88</b>

**11. Cash & Cash Equivalents**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cash on hand	9.06	13.95	13.62	14.05
Bank deposit with maturity less than 3 months	61.47	-	-	534.68
Balances with banks	44.36	38.91	14.32	14.71
<b>Total</b>	<b>114.88</b>	<b>52.86</b>	<b>27.94</b>	<b>563.44</b>

**12. Bank balances other than "Cash & Cash Equivalents"**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bank deposit with maturity more than 3 months but less than 12 months	211.80	387.74	-	117.21
<b>Total</b>	<b>211.80</b>	<b>387.74</b>	<b>-</b>	<b>117.21</b>

**13. Current financial assets - Loans and advances**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Unsecured, considered good unless otherwise stated</b>				
Other Receivables	532.18	2,239.43	3.90	40.54
Security Deposits	433.00	433.00	44.56	44.56
<b>Total</b>	<b>965.18</b>	<b>2,672.43</b>	<b>48.46</b>	<b>85.11</b>

**14. Other current assets**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Balances with Government Authorities	182.76	1,430.54	1,203.09	7.33
Prepaid Lease Expenses	-	-	13.30	13.30
Advance for Expenses	1,125.63	812.02	698.73	899.07
Advance to suppliers	115.49	287.87	474.73	533.50
<b>Total</b>	<b>1,423.89</b>	<b>2,530.43</b>	<b>2,389.85</b>	<b>1,453.20</b>

**15. Income tax****15 A. The major components of income tax expense for the year are as under:****i. Amounts recognised in the Statement of Profit and Loss comprises:**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Current tax:</b>				
- in respect of the current year	705.14	947.95	1,045.83	1,045.34
- Tax expenses of earlier year	-	-	-	-
	<b>705.14</b>	<b>947.95</b>	<b>1,045.83</b>	<b>1,045.34</b>
<b>Deferred tax expense:</b>				
<u>Attributable to -</u>				
- Origination and reversal of temporary differences	203.38	95.22	12.24	60.05
	<b>203.38</b>	<b>95.22</b>	<b>12.24</b>	<b>60.05</b>
<b>Total</b>	<b>908.52</b>	<b>1,043.16</b>	<b>1,058.08</b>	<b>1,105.39</b>

ii. Income tax recognised in Other Comprehensive Income

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net loss/(gain) on re-measurements of defined benefit plans	(2.24)	(9.95)	16.74	(4.57)
<b>Total</b>	<b>(2.24)</b>	<b>(9.95)</b>	<b>16.74</b>	<b>16.74</b>

15 B. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As on April 01, 2021	Profit & Loss	OCI	As on March 31, 2022
<b>Deferred tax relates to the following:</b>				
Opening deferred tax as on 01/04/2021	146.66	60.05	-	206.70
Re-measurements of the defined benefit plans	1.46	-	4.57	6.03
<b>Total</b>	<b>148.12</b>	<b>60.05</b>	<b>4.57</b>	<b>212.73</b>

(₹ in lakhs)

Particulars	As on April 01, 2022	Profit & Loss	OCI	As on March 31, 2023
<b>Deferred tax relates to the following:</b>				
Deferred tax relates to the following:	206.7	12.24	-	<b>218.94</b>
Re-measurements of the defined benefit plans	6.03	-	(16.74)	<b>(10.71)</b>
<b>Total</b>	<b>212.73</b>	<b>12.24</b>	<b>(16.74)</b>	<b>208.23</b>

(₹ in lakhs)

Particulars	As on April 01, 2023	Profit & Loss	OCI	As on March 31, 2024
<b>Deferred tax relates to the following:</b>				
Deferred tax relates to the following:	218.9	95.22	-	<b>314.16</b>
Re-measurements of the defined benefit plans	(10.71)	-	9.95	<b>(0.76)</b>
<b>Total</b>	<b>208.23</b>	<b>95.22</b>	<b>9.95</b>	<b>313.40</b>

(₹ in lakhs)

Particulars	As on April 01, 2024	Profit & Loss	OCI	As on December 31, 2024
<b>Deferred tax relates to the following:</b>				
Deferred tax relates to the following:	314.2	203.38	-	<b>517.54</b>
Re-measurements of the defined benefit plans	(0.76)		(2.24)	<b>(3.00)</b>
<b>Total</b>	<b>313.40</b>	<b>203.38</b>	<b>(2.24)</b>	<b>514.54</b>

15 C. Income Tax Assets (Net)

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Advance income-tax (net of provision for taxation) (Including Refund Receivable)	-	23.55	118.80	145.97
<b>Total</b>	<b>-</b>	<b>23.55</b>	<b>118.80</b>	<b>145.97</b>

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Income Tax Liabilities	58.06	-		-
<b>Total</b>	<b>58.06</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 16 Equity Share Capital

### a. Authorised & Issued Share Capital

(₹ in lakhs)

Particulars	As at 31st December 2024	
<b>Authorised Share Capital</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 10/- each	90,000,000	9,000.00
<b>Issued, Subscribed &amp; Fully Paid up</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 1/- each		
Equity Shares of Rs 10/- each	63,315,000	6,331.50
Particulars	Fiscal 2024	
<b>Authorised Share Capital</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 10/- each	90,000,000	9,000.00
<b>Issued, Subscribed &amp; Fully Paid up</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 1/- each		
Equity Shares of Rs 10/- each	63,315,000	6,331.50
Particulars	Fiscal 2023	
<b>Authorised Share Capital</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 1/- each	400,000,000	4,000.00
<b>Issued, Subscribed &amp; Fully Paid up</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 1/- each	158,287,500	1,582.88
Equity Shares of Rs 10/- each	-	-
Particulars	Fiscal 2022	
<b>Authorised Share Capital</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 10/- each	40,000,000.00	4,000.00
<b>Issued, Subscribed &amp; Fully Paid up</b>	<b>Number</b>	<b>Amount</b>
Equity Shares of Rs 10/- each	15,828,750.00	1,582.88

### b. Reconciliation of Share Capital

#### Issued, Subscribed & Fully Paid up

(₹ in lakhs)

Reconciliation of Share Capital	As on December 31, 2024		Fiscal 2024		Fiscal 2023	
	Number	Amount	Number	Amount	Number	Amount
Equity Shares of Rs 1/- each	63,315,000	6,331.50	158,287,500	1,582.88		
Equity Shares of Rs 10/- each*		-		-	15,828,750	1,582.88
Sub-division of 1 shares of face value of Rs 10/- each into 1 share of face value Rs. 1/- each effective September 30, 2023 (Increase in number of shares on					1,42,458,750	0

Reconciliation of Share Capital	As on December 31, 2024		Fiscal 2024		Fiscal 2023	
	Number	Amount	Number	Amount	Number	Amount
account of Sub-division) (a)						
Consolidation of 10 shares of face value of Rs 1/- each into 1 share of face value Rs. 10/- each effective September 30, 2023 (Decrease in number of shares on account of Consolidation)(b)	-	-	(1,42,458,750)	-	-	
Add: Bonus Shares issued	-	-	47,486,250	4,748.63		
<b>Closing Balance</b>	<b>63,315,000.00</b>	<b>6,331.50</b>	<b>63,315,000.00</b>	<b>6,331.50</b>	<b>158,287,500</b>	<b>1,582.88</b>

- a) The Shareholders of the Company, at the Extraordinary General Meeting held on August 06, 2022, had approved the Sub-Division of 1 equity share of face value Rs. 10 each (fully paid-up) into 10 equity share of face value Rs. 1 each. The record date for the said sub-division was set at August 06, 2022.
- b) The Shareholders of the Company, at the Annual General Meeting held on Sept 30, 2023, had approved the Consolidation of 10 equity share of face value Rs. 1 each (fully paid-up) into 1 equity share of face value Rs. 10 each. The record date for the said sub-division was set at Sept 30, 2023.

#### Issued, Subscribed & Fully Paid up

(₹ in lakhs)

Particulars	Fiscal 2022	
	Number	Amount
<b>Equity Shares of Rs. 10/- each</b>		
<b>Opening Balance</b>	<b>15,828,750</b>	<b>1,582.88</b>
Add: Bonus Shares issued	-	-
<b>Closing Balance</b>	<b>15,828,750</b>	<b>1,582.88</b>

- c) Terms and rights attached to equity shares
- The Company has only one class of equity shares. The holders of equity shares are entitled to one vote per share.
  - In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.
- d) Disclosure of Shares in the company held by each shareholder holding more than 5%

Name of Shareholder	As at 31st December 2024	
	No. of Shares held	% of Holding
Bmw Fin - Invest Private Limited	24,382,600	38.51%
Nitin Kishorepuria	17,597,200	27.79%
Sabita Devi Kishorepuria	5,798,200	9.16%
Ridhi Sidhi Fincon Private Limited	5,535,000	8.74%
Rachna Kishorepuria	4,464,000	7.05%
Bijay Kumar Kishorepuria	3,966,600	6.26%
<b>Total</b>	<b>61,743,600</b>	<b>97.52%</b>

Name of Shareholder	Fiscal 2024	
	No. of Shares held	% of Holding
Bmw Fin - Invest Private Limited	24,382,600	38.51%
Nitin Kishorepuria	17,597,200	27.79%
Sabita Devi Kishorepuria	5,798,200	9.16%
Ridhi Sidhi Fincon Private Limited	5,535,000	8.74%
Rachna Kishorepuria	4,464,000	7.05%
Bijay Kumar Kishorepuria	3,966,600	6.26%
<b>Total</b>	<b>61,743,600</b>	<b>97.52%</b>

Name of Shareholder	Fiscal 2023	
	No. of Shares held	% of Holding
BMW Fin - Invest Private Limited	61,613,500	38.93%
Nitin Kishorepuria	15,993,000	10.10%
Sabita Devi Kishorepuria	22,495,500	14.21%
Ridhi SIDHI Fincon Private Limited	13,837,500	8.74%
Rachna Kishorepuria	11,160,000	7.05%
Bijay Kumar Kishorepuria	29,916,500	18.90%
<b>Total</b>	<b>155,016,000</b>	<b>97.93%</b>

Name of Shareholder	Fiscal 2022	
	No. of Shares held	% of Holding
Bijay Kumar Kishorepuria	2,070,000	13.08%
BMW Fin - Invest Private Limited	6,165,000	38.95%
Contessa Commercial Co Private Limited	823,500	5.20%
Nitin Kishorepuria	1,149,300	7.26%
Ridhi Sidhi Fincon Private Limited	1,383,750	8.74%
Sabita Devi Kishorepuria	875,700	5.53%
SRM Private Limited	1,090,350	6.89%
<b>Total</b>	<b>13,557,600</b>	<b>85.65%</b>

e) Disclosure of Shareholding of Promoters in the company

Name of Shareholder	As at 31st December 2024		
	No. of Shares held	% of Holding	% of Change
Nitin Kishorepuria	17,597,200	27.79%	0.00%
Sabita Devi Kishorepuria	5,798,200	9.16%	0.00%
Rachna Kishorepuria	4,464,000	7.05%	0.00%
Bijay Kumar Kishorepuria	3,966,600	6.26%	0.00%
BMW Fin - Invest Private Limited	24,382,600	38.51%	0.00%
Ridhi Sidhi Fincon Private Limited	5,535,000	8.74%	0.00%
<b>Total</b>	<b>61,743,600</b>	<b>97.52%</b>	

Name of Shareholder	Fiscal 2024		
	No. of Shares held	% of Holding	% of Change
Nitin Kishorepuria	17,597,200	27.79%	17.69%
Sabita Devi Kishorepuria	5,798,200	9.16%	-5.05%
Rachna Kishorepuria	4,464,000	7.05%	0.00%
Bijay Kumar Kishorepuria	3,966,600	6.26%	-12.64%



Name of Shareholder	Fiscal 2024		
	No. of Shares held	% of Holding	% of Change
BMW Fin - Invest Private Limited	24,382,600	38.51%	-0.42%
Ridhi Sidhi Fincon Private Limited	5,535,000	8.74%	0.00%
<b>Total</b>	<b>61,743,600</b>	<b>97.52%</b>	

Name of Shareholder	Fiscal 2023		
	No. of Shares held	% of Holding	% of Change
Nitin Kishorepuria	15,993,000	10.10%	2.84%
Sabita Devi Kishorepuria	22,495,500	14.21%	8.68%
Rachna Kishorepuria	11,160,000	7.05%	5.20%
Bijay Kumar Kishorepuria	29,916,500	18.90%	5.82%
BMW Fin - Invest Private Limited	61,613,500	38.93%	-0.02%
Ridhi Sidhi Fincon Private Limited	13,837,500	8.74%	0.00%
<b>Total</b>	<b>155,016,000</b>	<b>97.93%</b>	

Name of Shareholder	Fiscal 2022		
	No. of Shares held	% of Holding	% of Change
Nitin Kishorepuria	1,149,300	7.26%	0.00%
Sabita Devi Kishorepuria	875,700.00	5.53%	0.00%
Rachna Kishorepuria	292,500.00	1.85%	0.00%
Bijay Kumar Kishorepuria	2,070,000.00	13.08%	0.00%
BMW Fin - Invest Private Limited	6,165,000.00	38.95%	0.00%
Ridhi Sidhi Fincon Private Limited	1,383,750.00	8.74%	0.00%
<b>Total</b>	<b>11,936,250.00</b>	<b>75.41%</b>	

Equity shares movement during five years preceding March 31, 2024

Equity shares issued as bonus

The Company allotted 4,74,86,250 equity shares as fully paid up bonus shares by capitalisation of profits transferred from General Reserve amounting to 4,748.63 Lakh in the month of March, 2024, pursuant to an Special resolution passed after taking the consent of shareholders in Extra Ordinary General Meeting.

## 17 Other Equity

(₹ in lakhs)

Particulars	Reserves & Surplus/ Retained Earnings	General reserve	Other Comprehensive Income	Total
<b>Balance as at 1st April, 2021</b>	<b>2,636.80</b>	<b>5,000.00</b>	<b>4.34</b>	<b>7,641.14</b>
Profit for the year	3,194.01	-	13.59	<b>3,207.60</b>
Transfer to General Reserve	(2,500.00)	2,500.00		-
<b>Balance as at 31st March 2022</b>	<b>3,330.81</b>	<b>7,500.00</b>	<b>17.93</b>	<b>10,848.74</b>
<b>Balance as at 1st April 2022</b>	<b>3,330.81</b>	<b>7,500.00</b>	<b>17.93</b>	<b>10,848.74</b>
Profit/(loss) for the year	3,265.86	-	(49.77)	<b>3,216.09</b>
Transfer to General Reserve	(2,500.00)	2,500.00	-	-
<b>Balance as at 31st March 2023</b>	<b>4,096.67</b>	<b>10,000.00</b>	<b>(31.85)</b>	<b>14,064.82</b>
<b>Balance as at 1st April 2023</b>	<b>4,096.67</b>	<b>10,000.00</b>	<b>(31.85)</b>	<b>14,064.82</b>

Particulars	Reserves & Surplus/ Retained Earnings	General reserve	Other Comprehensive Income	Total
Profit/(loss) for the year	2,993.54	-	29.58	<b>3,023.12</b>
Transfer to General Reserve	(2,248.63)	2,248.63	-	-
Bonus issued During the year	-	(4,748.63)	-	<b>(4,748.63)</b>
<b>Balance as at 31st March 2024</b>	<b>4,841.58</b>	<b>7,500.00</b>	<b>(2.27)</b>	<b>12,339.31</b>
<b>Balance as at 1st April 2024</b>	<b>4,841.58</b>	<b>7,500.00</b>	<b>(2.27)</b>	<b>12,339.31</b>
<b>Profit/(loss) for the year</b>	<b>2,186.66</b>	<b>-</b>	<b>(6.66)</b>	<b>2,180.00</b>

## NOTES TO RESERVES

### a. Retained earnings

Retained earnings are the profits that the Company has earned till date.

## 18 Borrowings

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Secured- Term loans from bank</b>				
Term Loans	3,422.06	4,503.96	4,145.49	2,529.30
<b>Total</b>	<b>3,422.06</b>	<b>4,503.96</b>	<b>4,145.49</b>	<b>2,529.30</b>

### a. Terms of Repayment

- Car Loan (Mercedes) from PNB is repayable in monthly instalments of Rs 1.23 lakh each (Including Interest)
- GECL Demand Term Loan from PNB (total outstanding as at 31-12-2024 rs is 4.50 Crore) repayable in monthly instalments of Rs. 13.22 lakh from November 2022 onwards in 48 equal Instalment (excluding interest).
- GECL Demand Term Loan from PNB (total outstanding as at 31-12-2024 rs is 2.91 Crore) is repayable in monthly instalments of Rs. 26.46 lakh from December 2021 onwards in 48 equal Instalment (excluding interest).
- Loan Against properties from HDFC Bank (Total Outstanding as at 31-12-2024 6.18 Crore) is repayable in monthly instalments of Rs 17.53 lakh
- Loan Against properties from HDFC Bank (Total Outstanding as at 31-12-2024 19.11 Crore) is repayable in monthly instalments of Rs 21.56 lakh
- Loan Against properties from HDFC Bank (Total Outstanding as at 31-12-2024 6.88 Crore) is repayable in monthly instalments of Rs 13.89 lakh
- Equipment Term Loan from Axis bank for 7 Equipments, repayable in monthly instalments of Rs. 0.14 Lakh for each equipment in 37 Monthly Instalment (Including Interest).
- Equipment Term Loan from Axis bank for 7 Equipments, repayable in monthly instalments of Rs. 0.52 Lakh for each equipment in 59 Monthly Instalment (Including Interest).
- Equipment Term Loan from Axis bank for 7 Equipments, repayable in monthly instalments of Rs. 0.81 Lakh for each equipment in 47 Monthly Instalment (Including Interest).
- Equipment Term Loan from Axis Bank for 16 Equipments, repayable in monthly instalments of Rs.0.64 Lakh for each Equipment in 47 Monthly Instalment (Including Interest).
- Equipment Term Loan from Axis Bank for 16 Equipments, repayable in monthly instalments of Rs.0.64 Lakh for each Equipment in 47 Monthly Instalment (Including Interest).
- Equipment Term Loan from ICICI Bank for 10 Equipments, repayable in monthly instalments of Rs.0.57 Lakh for each Equipment in 46 Monthly Instalment (Including Interest).

b. The company does not have any default in repayment of loan and interest on the balance sheet date.

c. Nature of Security Given:

- i. Car Loan (Mercedes) from PNB is secured by hypothecation of Car & Personal Guarantee of Director.
- ii. GECL Demand Term Loan from (total outstanding as at 31-12-2024 rs is 4.50 Crore) PNB is secured by secured by hypothecation of inventories, book debts, other current Assets and also with collateral security of Fixed Assets of the company, equitable mortgage of flats of Directors and personal guarantee of Directors
- iii. GECL Demand Term Loan from PNB is secured by secured by hypothecation of inventories, book debts, other current Assets and also with collateral security of Fixed Assets of the company, equitable mortgage of flats of Directors and personal guarantee of Directors.
- iv. Loan Against Properties from HDFC (Total Outstanding as at 31-12-2024 6.18 Crore) is secured by stock yard new at Baikathpur & Purnia Stock yard of the company and personal guarantee of Directors.
- v. Loan Against Properties from HDFC (Total Outstanding as at 31-12-2024 19.11 Crore) is secured by stock yard new at Baikathpur & Purnia Stock yard of the company and personal guarantee of Directors.
- vi. Loan Against Properties from HDFC (Total Outstanding as at 31-12-2024 6.88 Crore) is secured by stock yard new at Baikathpur & Purnia Stock yard of the company and personal guarantee of Directors.
- vii. Equipment Term Loan from Axis bank is secured by hypothecation of Equipments and personal guarantee of Directors.
- viii. Equipment Term Loan from ICICI bank is secured by hypothecation of Equipments and personal guarantee of Directors.

19 Lease Liabilities

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Lease Liabilities	-	-	368.38	392.58
<b>Total</b>	<b>-</b>	<b>-</b>	<b>368.38</b>	<b>392.58</b>

20 Other

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Security Deposits	32.00	20.00	25.00	21.00
<b>Total</b>	<b>32.00</b>	<b>20.00</b>	<b>25.00</b>	<b>21.00</b>

21 Provisions (Non-current)

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Provision for employee benefits (Refer Note 40)				
Provision for gratuity	126.71	67.34	87.18	39.01
<b>Total</b>	<b>126.71</b>	<b>67.34</b>	<b>87.18</b>	<b>39.01</b>

22 Current Borrowings

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Secured Loans from Banks</b>				
Cash Credits From Bank	30,773.61	26,719.76	23,477.01	6,965.26
Channel Finance	8,493.60	6,946.40	-	6,221.15
current Maturities of Long term borrowings	1,382.90	1,359.54	735.94	612.88
<b>Total</b>	<b>40,650.12</b>	<b>35,025.70</b>	<b>24,212.95</b>	<b>13,799.29</b>

### Cash Credit

- a. Terms of repayments: On Demand
- b. Nature of Security Given
  - i. Cash Credit from PNB, Patna is secured by hypothecation of inventories, book debts, other current Assets and also with collateral security of Fixed Assets of the company other then Stock Yard (New) at Baikathpur, equitable mortgage of flats of Directors and personal guarantee of Directors.
  - ii. Cash Credit from HDFC, is secured by hypothecation of inventories, book debts, other current Assets and also with stock yard new at Baikathpur of the company and personal guarantee of Directors.
- c. The company does not have any continuing default in repayment of loan and interest on the balance sheet date.

### CHANNEL FINANCE

- a) Terms of repayments: On Demand
- b) Nature of Security Given:
  - i. Channel Finance from Tata Capital is personally guaranteed by Directors & secured by pledge on Stock & Book Debts created out of bank finance of Tata Capital
  - ii. Channel Finance from Axis Bank Limited is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of Axis Bank Limited.
  - iii. Channel Finance from DBS Bank is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of DBS Bank.
  - iv. Channel Finance from Federal Bank is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of Federal Bank.
  - v. Channel Finance from Standard Chartered Bank is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of Standard Chartered Bank.
  - vi. Channel Finance from Yes Bank is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of Yes Bank.
  - vii. Channel Finance from ICICI Bank is personally guaranteed by Directors & secured by pledge of Stock & Book Debts created out of bank finance of ICICI Bank.

The Company has borrowings from banks against the security of current assets and the company is submitting the monthly statement of stock and receivables to the banks. The monthly statements of current asset filed by the company are in agreement with the books of accounts with a variation of 3%. Such variations are incorporated along with any other audit related changes at their respective time intervals. Following is the variance table in the respective months.

(₹ in lakhs)

Yearly	Current Assets - Submitted to Bank	Current Assets - As per Books	Current Assets - As per Books
December, 2024	54,268.37	53,695.29	1.06%
March, 2024	47,950.67	46,774.39	2.45%
March, 2023	35,326.75	35,031.86	0.83%
March, 2022	24,016.46	23,723.32	1.22%

## 23 Lease Liabilities

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Lease Liabilities	-	-	60.00	88.26
<b>Total</b>	<b>-</b>	<b>-</b>	<b>60.00</b>	<b>88.26</b>

## 24 Trade Payable

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Dues to Micro enterprises & small enterprises (Refer Note c below)	-	-	-	-
Dues to Others	2,644.78	2,387.48	527.77	295.88
<b>Total</b>	<b>2,644.78</b>	<b>2,387.48</b>	<b>527.77</b>	<b>295.88</b>

### (a) Aging of Trade payable

(Outstanding from the due date of payment/from the date of transaction)

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>(i) MSME</b>				
Less than 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
More than 3 years	-	-	-	-
	-	-	-	-
<b>(ii) Others</b>				
Less than 1 year	2,644.78	2,387.48	527.77	295.88
Dues to Others				
	-	-	-	-
More than 3 years			-	-
	2,644.78	2,387.48	527.77	295.88
<b>(ii) Disputed dues-MSME</b>				
Less than 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
More than 3 years	-	-	-	-
	-	-	-	-
<b>(ii) Accruals</b>				
Less than 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
1-2 year	-	-	-	-

(a) Trade payables are non-interest bearing and are normally settled upto 60 days terms

(b) Company does not have any creditors who is registered as MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

**25 Other financial liabilities (Current)**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sundry creditor for services/Expenses	753.75	855.82	480.25	987.40
Payable for Employees benefit	71.79	11.14	-	-
Statutory Liabilities	62.12	128.70	1,301.36	2,453.10
<b>Total</b>	<b>887.65</b>	<b>995.66</b>	<b>1,781.61</b>	<b>3,440.50</b>

**26 Other current liabilities**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Advance Received from Customers	1,645.60	2,571.92	1,070.59	1,544.92
<b>Total</b>	<b>1,645.60</b>	<b>2,571.92</b>	<b>1,070.59</b>	<b>1,544.92</b>

**27 Provision (Current)**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Provision for employee benefits (Refer Note 40)</b>				
Provision for gratuity	63.36	58.51	43.76	38.55
<b>Total</b>	<b>63.36</b>	<b>58.51</b>	<b>43.76</b>	<b>38.55</b>

**28 Revenue from Operations**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Sale of</b>				
Trading Products	146,147.79	190,820.76	200,180.67	155,500.62
Manufacturing products	702.67	2,040.35	823.12	423.78
Other Operating Income	867.47	958.52	505.92	434.40
<b>Total</b>	<b>147,717.92</b>	<b>193,819.63</b>	<b>201,509.72</b>	<b>156,358.80</b>

**29 Other Income**

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Commission	-	0.91	20.03	21.09
Energy Generation Charges	7.15	10.23	10.93	11.62
Installation & Maintenance Charges	-	-	7.74	20.54
Interest Received	70.60	119.75	89.79	97.80
Profit on sale of Fixed Assets	-	-	2.28	0.90
Sales Promotion	36.30	71.47	20.62	19.70
Rent/Establishment Charges Received	-	4.68	18.42	20.01
Balance W/Off	1.62	-	0.22	0.06
Insurance Claim Received	-	2.69	-	-
Rent Income	101.47	132.65	128.80	88.86

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Gain on Cancellation of Lease contract	-	37.41	-	-
Gain on Debtor Impairment	103.97			
Interest on Income tax Refund	0.89			
Interest on Deposits (IND AS)	-	-	3.70	4.37
Fair Market Value gain on Investment	2.73	3.72	-	0.01
<b>Total</b>	<b>324.74</b>	<b>383.52</b>	<b>302.51</b>	<b>284.95</b>

### 30 Cost of Material Consumed

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Opening Stock</b>				
Raw material	355.31	322.14	589.62	9.56
WIP		-	-	-
Add: Purchase of Raw Material	364.67	1,813.67	396.04	1,066.77
<b>Less: Rebate/ discount</b>	-	-	1.40	0.38
<b>Closing Stock</b>				
Raw material	368.85	355.31	322.14	589.62
<b>Total</b>	<b>351.13</b>	<b>1,780.50</b>	<b>662.11</b>	<b>486.33</b>

### 31 Purchase of Stock in Trade

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Iron &amp; Steel</b>	131,618.76	184,950.10	195,575.21	139,823.99
<b>Agrico (Taxable)</b>	1,567.08	1,848.78	1,521.24	1,310.52
<b>Tractor &amp; Accessories</b>	948.31	1,639.00	2,371.59	3,118.20
<b>Door, Accessories &amp; Others</b>	1,258.01	1,371.12	1,526.81	1,337.64
	<b>135,392.16</b>	<b>189,808.99</b>	<b>200,994.85</b>	<b>145,590.36</b>
<b>Add: Freight In Purchase</b>	2,263.11	2,820.10	2,807.55	1,642.27
	<b>137,655.27</b>	<b>192,629.09</b>	<b>203,802.39</b>	<b>147,232.63</b>
<b>Less: Discount , Rebate &amp; Claim</b>	3,778.40	8,781.94	6,375.79	4,216.16
	<b>133,876.88</b>	<b>183,847.15</b>	<b>197,426.61</b>	<b>143,016.47</b>
<b>Total</b>	<b>133,876.88</b>	<b>183,847.15</b>	<b>197,426.61</b>	<b>143,016.47</b>

### 32 Changes in Inventory

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Closing Stock</b>				
Iron & Steel	28,893.99	28,640.63	20,958.04	10,409.18
Agrico (Taxable)	1,528.46	1,213.76	1,030.52	681.83
Tractor & Accessories	49.42	44.03	38.75	59.36
Bathroom Fittings	-	-	-	4.94
Door, Accessories & Others	1,385.30	1,052.43	702.48	519.72

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Scrap	0.58	25.41	21.89	1.99
<b>Manufacturing</b>				
PVC Pipe	15.20	30.20	65.52	44.27
Colour Sheet Blue Diamond & PEB	149.80	363.96	319.73	119.38
Railway	341.73	341.73	-	
Finished Goods	-	-		
	<b>32,364.48</b>	<b>31,712.15</b>	<b>23,136.94</b>	<b>11,840.67</b>
Less : Opening Stock	31,712.15	23,136.94	11,840.67	11,290.30
<b>Increase/(Decrease) in Inventories</b>	<b>(652.34)</b>	<b>(8,575.21)</b>	<b>(11,296.27)</b>	<b>(550.37)</b>
<b>Total</b>	<b>(652.34)</b>	<b>(8,575.21)</b>	<b>(11,296.27)</b>	<b>(550.37)</b>

### 33 Employee Benefits Expenses

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Salary	611.40	839.58	794.23	731.32
Wages	292.14	418.93	420.61	323.59
Bonus	4.66	83.96	78.79	71.94
House Rent allowance	5.15	6.97	7.31	16.63
Incentive to Employee	2.97	289.85	281.38	235.30
Group Health Insurance	4.04	25.50	18.95	24.82
Staff & Labour Welfare	84.97	112.99	85.69	84.17
Contribution to E. S. I	14.49	22.17	20.77	16.59
Leave Encashment	0.31	0.75	-	-
Contribution to P. F.	66.18	111.04	104.51	85.66
Gratuity	55.31	70.88	61.29	47.49
Employee Training	10.07	32.02	28.60	34.54
<b>Total</b>	<b>1,151.68</b>	<b>2,014.64</b>	<b>1,902.14</b>	<b>1,672.04</b>

### 34 Finance Cost

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Interest</b>				
Interest to Banks on CC/Term Loans	2,330.78	2,548.38	1,825.16	882.36
Interest on Channel Finance	509.79	201.28	186.15	659.29
Interest on Unsecured Loan	18.30	9.75	5.15	30.03
Interest to Supplier	-	39.86	12.88	25.62
Interest on Lease Expenses	-	-	35.81	44.78
<b>Total</b>	<b>2,858.86</b>	<b>2,799.27</b>	<b>2,065.15</b>	<b>1,642.09</b>

### 35 Depreciation Expense

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Depreciation expense on Property, Plant & Equipment	356.09	419.69	357.07	320.62



Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Depreciation on ROU ASSETS	-	-	38.44	152.61
<b>Total</b>	<b>356.09</b>	<b>419.69</b>	<b>395.51</b>	<b>473.23</b>

### 36 Other Expenses

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Carriage Inwards	13.60	38.10	52.49	202.00
Packing Material	134.88	178.33	219.96	150.37
PEB & Railway Manufacturing Expenses	435.60	339.52	21.18	
Crane and Generator Running Expenses	101.19	148.88	76.62	88.56
Consumable Stores	15.65	59.75	49.63	73.64
Power & Fuel-Poly Tube	6.55	12.24	19.01	17.39
Rent Equipment Expenses	98.89	73.88	-	-
<b>Total</b>	<b>806.36</b>	<b>850.71</b>	<b>438.89</b>	<b>531.96</b>
<b>Other Expenses</b>				
Advertisement & Publicity (Net)	5.18	21.52	6.27	52.29
Auditors' Remuneration	-	4.00	4.00	3.50
Bad Debts	-	1.23	19.19	26.21
Books & Periodicals	0.11	0.14	0.13	0.18
Bank Commission & Charges	77.32	66.18	55.35	34.53
Commission	-	5.61	3.09	30.65
Dealers Conference, Seminar & Sales Promotion	2,370.60	2,147.13	1,584.99	1,881.32
Directors' Remuneration	243.00	240.00	220.00	144.00
Director Sitting Fees	-	2.00	1.25	0.50
Charity & Donation	-	-	-	1.63
Subscription & Membership Fees	0.16	0.15	0.20	1.27
Electrical Charges & Expenses	119.52	132.01	85.34	48.98
Filing Fees	0.27	37.95	0.32	12.82
Insurance	46.75	62.84	54.35	54.77
Internal Audit Fee	-	4.10	-	1.60
Provision for debtors Impairment	-	27.20	53.29	113.88
Loss On Sale Of Fixed Assets	1.25	-	-	3.11
Computer & Internet Expenses	36.15	22.93	27.79	33.56
Miscellaneous Expenses	14.42	31.20	29.39	27.10
Office Maintenance	17.36	6.78	7.78	16.08
Postage, Telegram & Telephones	23.94	37.32	34.26	33.74
Printing & Stationery	3.78	5.88	4.97	2.79
Professional & Consultancy Charges	36.28	92.14	121.11	100.71
Rate & Taxes	23.70	9.81	14.01	9.21
Fair Value Gain on Shares	0.04			
Rent	326.55	390.04	228.21	61.24
Royalty Paid	-	18.96	-	7.85
Repair & Maintenance	167.94	178.55	154.10	126.97
Security Service Charges	51.31	62.90	51.86	50.90
Channel Finance Brokerage Charges	-	-	4.66	17.09
Share depository charges	0.42			
Sundry Balance Adjustment (Net)	0.00	0.20	0.02	2.19
Ipo expense	92.50			
Transportation , Loading & Unloading Charges	2,203.20	2,853.00	2,709.87	1,933.77

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Travelling & Conveyance	170.50	327.76	253.91	109.03
Interest On Tax	1.55	28.75	12.34	8.73
Loss from Partnership Firm	0.80	-		
Fair Market Value Loss on Investments	-	-	0.01	0.87
Vehicle Maintenance	31.79	48.82	44.58	38.80
Contribution to CSR	34.23	50.22	44.06	75.11
Installation Service for Door & Window	98.18	112.39	63.47	-
<b>Total</b>	<b>6,198.81</b>	<b>7,029.70</b>	<b>5,894.16</b>	<b>5,072.61</b>
<b>Total Other Expenses</b>	<b>7,005.17</b>	<b>7,880.40</b>	<b>6,333.05</b>	<b>5,604.57</b>

### 37 Earnings per share

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total profit for the year	2,186.66	2,993.54	3,265.86	3,194.01
Weighted average number of equity shares of Rs. 10/- each (Nos)*	63,315,000.00	63,315,000.00	63,315,000.00	63,315,000.00
<b>EPS - Basic and Diluted ( per share in Rs.)</b>	<b>3.45</b>	<b>4.73</b>	<b>5.16</b>	<b>5.04</b>

\*Weighted Average number of shares calculated after considering Sub-Division of Shares at August 06, 2022 and bonus shares issued as at 20-03-2024.

### 38 Contingent liabilities

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Contingent Liabilities not provided for in respect of: Guarantees, Undertakings &amp; Letter of Credit</b>				
Bank Guarantees issued by the Company's Bankers on behalf of the Company in Favour of TISCO & Jhon Deere India Pvt. Ltd	-	-	-	100.00
The Company has given Comfort Letter for BMW Enterprises for credit facility to Bandhan Bank, Patna.			3,000.00	2,400.00
The Company has given Corporate Guarantee for BMW Enterprises for credit facility to Punjab National Bank, Patna.	5,745.00	5,745.00		
The Company has given Corporate Bank Guarantee for BMW Logistics Pvt. Ltd. for credit facility to Punjab National Bank, Patna.	-	-	-	1,500.00
<b>Total</b>	<b>5,745.00</b>	<b>5,745.00</b>	<b>3,000.00</b>	<b>4,000.00</b>

### 39 Corporate Social Responsibility

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
amount required to be spent by the company during the year	63.44	76.82	62.50	46.30
amount of expenditure incurred	34.23	50.22	44.06	75.11
(Shortfall)/ Excess at the end of the year	(29.21)	(26.60)	(18.44)	28.81
Opening Excess Balance	1.80	28.40	46.83	18.02

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Excess amount carried forward to next year		1.80	28.40	46.83
total of current year shortfall	27.41	-	-	-

#### 40 Employee benefits

##### a) Description of the type of the plan

##### Defined Benefit Plan – Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

Post-Employment Benefits plan defined in a(ii) and a(iii) above typically expose the Company to actuarial risks such as: Salary increase, Discount rate, Morality and Disability and withdrawals

- Salary Increases: – Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Discount Rate: – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability: – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals: – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

##### b) The following tables set out the status of the gratuity plan, unavailed leave and amounts recognized in the Company's financial statements.

##### i. Change in benefit obligations

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Present value of obligation as at beginning of the year</b>	411.93	366.72	234.01	206.39
Interest Cost	22.40	27.50	17.55	36.21
Current Service Cost	47.93	60.47	55.48	14.03
Expected return on Planned assets				
Benefits Payment from Planned Assets	(4.98)	(3.99)	(5.94)	(2.86)
Benefit Payment Directly by Employer				(1.66)
Actuarial (Gain)/Loss on obligation	(5.75)	(38.77)	65.62	(18.10)
<b>Present value of obligation as at the end of the year</b>	<b>471.53</b>	<b>411.93</b>	<b>366.72</b>	<b>234.01</b>
<b>ii. Fair Value of Plan Assets</b>	281.46	286.08	235.78	156.44
<b>iii. Net Assets/(Liability) (ii-i)</b>	(190.07)	(125.86)	(130.94)	(77.57)

##### iv. Amount recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Service cost	22.40	27.50	17.55	36.21
Net Interest cost	47.93	60.47	55.48	14.03
Actuarial (gain) /loss for the year	(15.02)	(17.09)	(11.73)	(2.02)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Expense recognized in the Income Statement	55.31	70.88	61.29	48.22

#### Amount recognised in Other Comprehensive Income (OCI)

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Actuarial Gain/(Loss) for the year on Projected Benefit Obligation	(8.91)	39.53	(66.51)	(18.15)
Expense recognized in the Income Statement	(8.91)	39.53	(66.51)	(18.15)

#### Principal Actuarial Assumptions

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
i) Discount rate (p.a.)	7.00%	7.25%	7.50%	7.10%
ii) Future salary increase (p.a.)	10.00%	10.00%	10.00%	10.00%

#### Demographic Assumptions

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
i) Retirement age	60 years	60 years	60 years	60 years
ii) Mortality rates inclusive of provision for disability	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
iii) Withdrawal Rate	5.00%	5.00%	5.00%	5.00%

#### Sensitivity Analysis of the Defined Benefit Obligation

##### Impact of the change in discount rate

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Present value of obligation as at the end of the period	471.53	411.93	366.72	234.01
Impact due to increase of 1.00%	424.75	371.76	330.59	212.05
Impact due to decrease of 1.00%	527.87	460.28	410.53	260.24

##### Impact of the change in salary increase

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Present value of obligation as at the end of the period	471.53	411.93	366.72	234.01
Impact due to increase of 1.00%	525.64	458.49	409.02	256.85
Impact due to decrease of 1.00%	425.53	372.35	330.84	214.35

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment & life expectancy are not applicable being a lump sum benefit on retirement.

**Maturity Profile of Defined Benefit Obligation**

(₹ in lakhs)

Particulars	Fiscal 2022
01 Apr 2022 to 31 Mar 2023	16.42
01 Apr 2023 to 31 Mar 2024	10.71
01 Apr 2024 to 31 Mar 2025	11.90
01 Apr 2025 to 31 Mar 2026	20.93
01 Apr 2026 Onwards	76.35

**Maturity Profile of Defined Benefit Obligation**

(₹ in lakhs)

Particulars	Fiscal 2023
01 Apr 2022 to 31 Mar 2023	43.76
01 Apr 2023 to 31 Mar 2024	16.49
01 Apr 2024 to 31 Mar 2025	6.45
01 Apr 2025 to 31 Mar 2026	5.25
01 Apr 2026 Onwards	283.42

**Maturity Profile of Defined Benefit Obligation**

(₹ in lakhs)

Particulars	Fiscal 2024
01 Apr 2024 to 31 Mar 2025	58.51
01 Apr 2025 to 31 Mar 2026	11.71
01 Apr 2026 to 31 Mar 2027	5.98
01 Apr 2027 to 31 Mar 2028	14.19
01 Apr 2028 to 31 Mar 2029	9.02
01 Apr 2029 Onwards	312.53

**Maturity Profile of Defined Benefit Obligation**

(₹ in lakhs)

Particulars	As on December 31, 2024
01 Jan 2025 to 31 Dec 2025	60.54
01 Jan 2026 to 31 Dec 2026	13.72
01 Jan 2027 to 31 Dec 2027	9.37
01 Jan 2028 to 31 Dec 2028	18.60
01 Jan 2029 to 31 Dec 2029	4.49
01 Jan 2030 Onwards	364.80

**41 Related Party Transactions**

In accordance with the requirement of IndAS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

a) List of related parties and nature of relationship where control exists:

Key Managerial Personnel	Designation
Bijay Kumar Kishorepuria	Director
Nitin Kishorepuria	Managing Director
Rachna Kishorepuria	Director
Sabita devi Kishorepuria	Director
Ruchika Maheshwari	Company Secretary

Key Managerial Personnel	Designation
Birendra kumar	Chief Financial Officer
Relatives of Key Managerial Personnel	Nature of Relationship
Bijay Kumar kishorepuria (HUF)	Director is KARTA of HUF
Rajkumar Kishorepuria	Brother of Director
Nupur Singhania	Daughter of Director

Entity over which significant influence is exercised by the Company/key management personnel (either individually or with others)

BMW Enterprise (A Unit of Jai Basukinath Traders Pvt Ltd)
Jai Basukinath Traders Pvt Ltd
BMW Logistics pvt ltd
Jagdamba Value Steels Pvt Ltd
BMW Project Pvt Ltd
Rachna Heights Pvt Ltd
Nupur Heights Pvt Ltd
Ridhi Sidhi Fincon Private Limited
Mediversal Healthcare Pvt Ltd
BMW Hardware & Steel
BMW Fin Invest Pvt Ltd

**Period ended December 31, 2024:**

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	90.00	-	-
	Rent Paid	109.59	-	-
	Prepaid Rent	32.94		
Nitin Kishorepuria	Remuneration/Salary	108.00	-	-
	Rent Paid	151.36	-	-
	Prepaid Rent	40.69		
Rachna Kishorepuria	Rent Paid	39.90	-	-
	Prepaid Rent	10.72		
	Remuneration	45.00	-	-
Sabita Devi Kishorepuria	Rent Paid	81.17	-	-
	Prepaid Rent	21.82		
Bijay Kumar Kishorepuria (HUF)	Rent Paid	8.20	-	-
BMW Enterprise	Sales	-	-	3,310.87
	Storage,Bending, Loading & Unloading charges	-	-	102.91
	Material Received	-	-	74.75
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	146.33
BMW Logistics Private Limited	Transportation Charges	-	-	883.41
	Sales	-	-	0.56
Jagdamba Value Steels Private Limited	Rent Paid	-	-	31.86
Mediversal Healthcare Private Limited	Medical Expenses	-	-	0.53

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Hardware & Steel	Sales	-	-	336.78
	Storage,Bending, Loading charges Received	-	-	17.30
BMW Vyapar Private Limited	Sales	-	-	257.69
	Purchase	-	-	72.91
<b>Total</b>		<b>739.40</b>	<b>-</b>	<b>5,235.91</b>

#### Fiscal 2024

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	112.95	-	-
	Loan Taken	240.00	-	-
	Interest Paid	4.30	-	-
	Loan Repaid	240.00	-	-
Nitin Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	139.50	-	-
Rachna Kishorepuria	Rent Paid	36.77	-	-
Sabita Devi Kishorepuria	Rent Paid	81.89	-	-
	Loan Taken	30.00	-	-
	Loan Repaid	30.00	-	-
	Interest Paid	1.12	-	-
Ruchika Maheshwari Kejriwal	Remuneration/Salary	6.05	-	-
Birendra Kumar	Remuneration/Salary	10.80	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	10.48	-
BMW Enterprise	Sales	-	-	3,448.23
	Purchase	-	-	202.49
	Storage,Bending, Loading & Unloading charges	-	-	167.97
	Material Received	-	-	302.49
Jai Basukinath Traders Private Limited	Storage,Bending, Loading & Unloading charges	-	-	292.16
	Rent Received	-	-	2.34
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	1,034.44
	Sales	-	-	0.59
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.28
	Loan Taken	-	-	85.00
	Loan Repaid	-	-	85.00
	Interest Paid	-	-	0.75
Jagdamba Value Steels Private Limited	Rent Paid	-	-	42.48
	Establishment Charges Received	-	-	0.28
	Material Transfer	-	-	20.62
BMW Project Private Limited	Establishment Charges	-	-	0.14

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Rachna Heights Private Limited	Establishment Charges	-	-	0.28
Nupur Heights Private Limited	Establishment Charges	-	-	0.28
Mediversal Healthcare Private Limited	Medical Expenses	-	-	11.00
BMW Hardware & Steel	Capital Contribution	-	-	30.50
	Sales	-	-	282.64
	Establishment Charges Received	-	-	0.14
	Storage, Bending, Loading charges Received	-	-	9.45
	Purchase	-	-	3.67
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.28
JBT Realty LLP	Loan Given	-	-	536.51
	Loan Repaid	-	-	536.51
	Interest Received	-	-	11.23
BMW Vyapar Private Limited	Sales	-	-	412.46
	Purchase	-	-	221.86
<b>Total</b>		<b>1,173.39</b>	<b>10.48</b>	<b>7,743.16</b>

### Fiscal 2023

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	120.00	-	-
	Rent Paid	94.13	-	-
Nitin Kishorepuria	Remuneration/Salary	80.00	-	-
	Rent Paid	116.25	-	-
Rachna Kishorepuria	Rent Paid	30.64	-	-
	Remuneration	20.00	-	-
Sabita Devi Kishorepuria	Rent Paid	26.94	-	-
Rahul Kumar	Remuneration/Salary	7.52	-	-
Birendra Kumar	Remuneration/Salary	10.68	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	9.60	-
BMW Enterprise	Sales	-	-	2,220.17
	Storage, Bending, Loading & Unloading charges	-	-	180.54
	Purchase	-	-	9.87
	Purchase of Machinery	-	-	3.07
	Discount Given / Credit Note	-	-	8.04
Jai Basukinath Traders Private Limited	Storage, Bending, Loading & Unloading charges	-	-	426.72
	Rent Received	-	-	13.26
	Sales	-	-	2.63
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	929.72
	Sales	-	-	0.51



Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Paid	-	-	42.48
	Establishment Charges Received	-	-	0.35
	Service Bill Received (Purnea Godown Rent Paid)	-	-	2.34
BMW Project Private Limited	Establishment Charges	-	-	0.21
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35
Mediversal Healthcare Private Limited	Advance	-	-	2.14
BMW Hardware & Steel	Advance	-	-	68.16
	Sales	-	-	43.81
	Establishment Charges Received	-	-	0.14
	Storage, Bending, Loading charges Received	-	-	3.00
	Purchase	-	-	6.66
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
	Unsecured Loan Received	-	-	250.00
	Unsecured Loan Paid	-	-	250.00
	Interest Paid	-	-	5.15
BMW Height Private Limited	Establishment Charges	-	-	0.14
<b>Total</b>		<b>506.15</b>	<b>9.60</b>	<b>4,471.60</b>

## Fiscal 2022

(₹ in Lakhs)

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	Remuneration/Salary	96.00	-	-
	Loan Taken	225.00	-	-
	Loan Received	225.00	-	-
	Interest Paid	8.71	-	-
	Rent Paid	75.30	-	-
Nitin Kishorepuria	Loan Taken	161.00	-	-
	Loan Repaid	161.00	-	-
	Interest Paid	2.88	-	-
	Rent Paid	93.00	-	-
Rachna Kishorepuria	Rent	24.51	-	-
	Loan Taken	75.00	-	-
	Loan Repaid	75.00	-	-
	Interest Paid	4.28	-	-
	Remuneration	48.00	-	-
Sabita Devi Kishorepuria	Loan Taken	250.00	-	-
	Loan Repaid	250.00	-	-

Particulars	Nature of Transaction	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
	Interest Paid	11.29	-	-
	Rent	21.55	-	-
Rahul Kumar	Remuneration/Salary	6.27	-	-
Birendra Kumar	Remuneration/Salary	8.19	-	-
Bijay Kumar Kishorepuria (HUF)	Rent Paid	-	9.60	-
Rajkumar Kishorepuria	Salary	-	10.75	-
Nupur Singhania	Loan Taken	-	40.00	-
	Loan Repaid	-	40.00	-
	Interest Paid	-	2.87	-
BMW Enterprise	Sales	-	-	643.98
	Storage, Bending, Loading charges	-	-	142.45
	Purchase	-	-	6.23
Jai Basukinath Traders Private Limited	Storage, Bending, Loading charges	-	-	357.56
	Rent Received	-	-	14.16
	Discount Given / Credit Note	-	-	30.82
BMW Logistics Private Limited	Establishment Charges	-	-	1.06
	Transportation Charges	-	-	740.25
	Sales	-	-	0.32
BMW Fin Invest Private Limited	Establishment Charges	-	-	0.35
Jagdamba Value Steels Private Limited	Rent Received	-	-	5.61
	Establishment Charges	-	-	0.35
	Service Bill (Purnea Godown Rent Paid)	-	-	42.48
	Security Deposit (Received partly)	-	-	20.00
BMW Project Private Limited	Establishment Charges	-	-	0.35
Rachna Heights Private Limited	Establishment Charges	-	-	0.35
Nupur Heights Private Limited	Establishment Charges	-	-	0.35
Mediversal Healthcare Private Limited	Medical Treatment of Staff	-	-	5.86
BMW Hardware & Steel	Sales	-	-	49.27
	Establishment Charges	-	-	0.14
	Storage, Bending, Loading charges	-	-	2.90
Ridhisidhi Fincon Private Limited	Establishment Charges	-	-	0.35
<b>Total</b>		<b>1,821.99</b>	<b>103.22</b>	<b>2,065.21</b>

**Detail of Outstanding Balances are as follows:**

**As on December 31, 2024**

*(₹ in Lakhs)*

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Bijay Kumar Kishorepuria	(7.00)	-	-
Nitin Kishorepuria	(8.40)	-	-
BMW Enterprise	-	-	(29.74)
Jai Basukinath Traders Private Limited	-	-	(3.68)
BMW Logistics Private Limited	-	-	(207.17)
Jagdamba Value Steels Private Limited	-	-	(3.24)
BMW Hardware & Steel	-	-	191.07
BMW Vyapar Private Limited	-	-	0.54
<b>Total</b>	<b>(15.40)</b>	<b>-</b>	<b>(52.23)</b>

**Fiscal 2024**

*(₹ in Lakhs)*

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Enterprise (A Unit of Jai Basukinath Traders Private Limited)	-	-	36.27
BMW Logistics Private Limited	-	-	(249.41)
Jagdamba Value Steels Private Limited	-	-	433.00
BMW Hardware & Steel	-	-	137.37
<b>Total</b>	<b>-</b>	<b>-</b>	<b>357.23</b>

**Fiscal 2023**

*(₹ in Lakhs)*

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
BMW Logistics Private Limited	-	-	(74.42)
Jagdamba Value Steels Private Limited	-	-	450.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>375.58</b>

**Fiscal 2022**

*(₹ in Lakhs)*

Particulars	Key Managerial Personnel	Relatives of KMP	Entity over which significant influence is exercised
Rajkumar Kishorepuria	-	10.75	-
BMW Enterprise (A Unit of Jai Basukinath Traders Pvt Ltd)	-	-	(96.02)
Jai Basukinath Traders Pvt Ltd	-	-	(52.07)
BMW Logistics pvt ltd	-	-	(141.92)
Jagdamba Value Steels Pvt Ltd	-	-	450.00
BMW Hardware & Steel	-	-	95.61
<b>Total</b>	<b>-</b>	<b>10.75</b>	<b>255.60</b>

## 42 Financial instruments

### Fair value measurements

Following table shows the carrying amounts and fair values of financial assets and financial liabilities:

(₹ in lakhs)

Particulars	As on December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Assets</b>								
Investment	130.06	106.13	68.42	106.92	44.92	76.52	0.09	8.26
Trade Receivables		20,961.96	-	14,100.29	-	10,993.34	-	10,766.88
Cash and Cash Equivalents		114.88	-	52.86	-	27.94	-	563.44
Bank balances other than Cash and Cash Equivalents		211.80	-	387.74	-	-	-	-
Loans and advances		965.18	-	2,672.43	-	48.46	-	85.11
Other Financial Assets		293.42	-	137.00	-	526.64	-	406.81
	<b>130.06</b>	<b>22,653.37</b>	<b>68.42</b>	<b>17,457.24</b>	<b>44.92</b>	<b>11,672.90</b>	<b>0.09</b>	<b>11,830.49</b>
<b>Current</b>		<b>22,253.82</b>	<b>-</b>	<b>17,213.32</b>	<b>-</b>	<b>11,069.74</b>	<b>-</b>	<b>11,415.43</b>
<b>Non-Current</b>	<b>130.06</b>	<b>293.42</b>	<b>68.42</b>	<b>137.00</b>	<b>44.92</b>	<b>526.64</b>	<b>0.09</b>	<b>406.81</b>
<b>Financial Liabilities</b>								
Borrowings		44,072.17		39,529.66	-	16,328.59	-	16,328.59
Lease liabilities		-		-	-	480.83	-	480.83
Trade Payables		2,644.78		2,387.48	-	295.88	-	295.88
Other Financial Liabilities		919.65		1,015.66	-	3,461.50	-	3,461.50
		<b>47,636.60</b>		<b>42,932.80</b>	<b>-</b>	<b>20,566.80</b>	<b>-</b>	<b>20,566.80</b>
<b>Current</b>		<b>44,182.55</b>		<b>38,408.84</b>		<b>17,623.92</b>		<b>17,389.55</b>
<b>Non-Current</b>		<b>3,454.06</b>		<b>4,523.96</b>		<b>2,942.87</b>		<b>3,177.24</b>

### Fair Value hierarchy

The following tables shows the levels in the fair value hierarchy of financial assets and financial liabilities:

#### Financial Assets

As on December 31, 2024

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3
Investment in Quoted Equity Shares	0.07	-	-
Investment in Partnership Firm	-	-	106.13
Investment in Gold	129.99	-	-
<b>Total</b>	<b>130.06</b>	<b>-</b>	<b>106.13</b>

#### Fiscal 2024

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investment in Quoted Equity Shares	0.11	-	-

Particulars	Level 1	Level 2	Level 3
Investment in Partnership Firm	-	-	106.92
Investment in Gold	68.31	-	-
<b>Total</b>	<b>68.42</b>	<b>-</b>	<b>106.92</b>

#### Fiscal 2023

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investment in Quoted Equity Shares	0.08	-	-
Investment in Partnership Firm	-	-	76.5
Investment in Gold	44.85	-	-
<b>Total</b>	<b>0.08</b>	<b>-</b>	<b>76.52</b>

#### Fiscal 2022

(₹ in lakhs)

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investment in Quoted Equity Shares	0.09	-	-
Investment in Partnership Firm	-	-	8.26
<b>Total</b>	<b>0.09</b>	<b>-</b>	<b>8.26</b>

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

### 43 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

#### 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 prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

##### (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. Since the Company has borrowings based on fixed rate and floating rate, therefore Company is exposed to such risk on borrowings with floating rates.

(₹ in lakhs)

Sensitivity Analysis of the Interest Rate	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Impact of the change in Interest rate</b>				

<b>Sensitivity Analysis of the Interest Rate</b>	<b>As on December 31, 2024</b>	<b>Fiscal 2024</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>
Interest cost for the reporting Period	2,840.56	2,749.66	2,011.30	1,541.65
Impact due to increase/Decrease of 1.00%	440.72	395.30	283.58	163.29

**(ii) Foreign Currency Risk**

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. The company is not exposed to any foreign transaction hence; company does not have any foreign currency risk.

**(iii) Equity Price Risk**

The Company's does not have investment in shares hence the company is not exposed to such risk.

**b. Credit Risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

(₹ in lakhs)

<b>Particulars</b>	<b>As on December 31, 2024</b>	<b>Fiscal 2024</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>
Trade receivables	20,961.96	14,100.29	10,993.34	10,766.88
Other financial assets	293.42	137.00	526.64	406.81

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an on-going basis.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables has been provided which has been in note 10 of the financial Statements.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

**c. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st December 2024:

(₹ in lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	44,072.17	40,650.12	3,422.06	-	44,072.17
Trade Payables	2,644.78	2,644.78	-	-	2,644.78
Other Financial Liabilities	887.65	887.65	-	-	887.65
<b>Total</b>	<b>47,604.60</b>	<b>44,182.55</b>	<b>3,422.06</b>	<b>-</b>	<b>47,604.60</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2024:

(₹ in lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	39,529.66	35,025.70	4,503.96	-	39,529.66
Trade Payables	2,387.48	2,387.48	-	-	2,387.48
Other Financial Liabilities	995.66	995.66	-	-	995.66
<b>Total</b>	<b>42,912.80</b>	<b>38,408.84</b>	<b>4,503.96</b>	<b>-</b>	<b>42,912.80</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

(₹ in lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	28,358.44	24,212.95	4,145.49	-	28,358.44
Trade Payables	527.77	527.77	-	-	527.77
Other Financial Liabilities	1,781.61	1,781.61	-	-	1,781.61
<b>Total</b>	<b>30,667.82</b>	<b>26,522.33</b>	<b>4,145.49</b>	<b>-</b>	<b>30,667.82</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

(₹ in lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	16,328.59	13,799.29	2,529.30	-	16,328.59
Trade Payables	295.88	295.88	-	-	295.88
Other Financial Liabilities	3,440.50	3,440.50	-	-	3,440.50
<b>Total</b>	<b>20,064.97</b>	<b>17,535.67</b>	<b>2,529.30</b>	<b>-</b>	<b>20,064.97</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2021:

(₹ in lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	17,082.35	14,283.34	2,799.01	-	17,082.35
Trade Payables	476.38	476.38	-	-	476.38
Other Financial Liabilities	2,198.70	2,198.70	-	-	2,198.70
<b>Total</b>	<b>19,757.44</b>	<b>16,958.43</b>	<b>2,799.01</b>	<b>-</b>	<b>19,757.44</b>

#### 44 Capital management

The management policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company's management monitor the return on capital employed. The Following table summarize the capital of the Company

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Short Term Debt	40,650.12	35,025.70	24,212.95	13,799.29
Long Term Debt	3,422.06	4,503.96	4,145.49	2,529.30
Total Debt	44,072.17	39,529.66	28,358.44	16,328.59
Equity	20,850.81	18,670.81	15,647.70	12,431.62
<b>Total Capital</b>	<b>64,922.98</b>	<b>58,200.48</b>	<b>44,006.14</b>	<b>28,760.21</b>

#### 45 Additional Regulatory information

##### a. Ratio

Ratio	Numerator	Denominator	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Current Ratio (In times)	Total current assets	Total current liabilities	1.2328	1.2673	1.34	1.33
Debt Equity Ratio (In times)	Debt consists of borrowings and lease liabilities.	Total equity	2.11	2.12	1.84	1.35
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit before taxes + Depreciation and Amortization + Interest	Debt service = Interest and lease payments + Principal repayments	1.49	1.74	2.42	2.84
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	11.07%	17.45%	23.26%	33.44%
Inventory Turnover Ratio (in times)	Cost of Good Sold	Average Inventory	4.12	6.38	15.74	13.58
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	8.43	15.45	18.52	14.44
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	13.63	18.97	25.47	27.60
Net profit ratio (in %)	Profit for the year	Revenue from operations	1.48%	1.54%	1.62%	2.04%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax	9.10%	11.68%	14.31%	20.17%



Ratio	Numerator	Denominator	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
		liabilities+Long term Debt + Short term Debt				

#### **46 Additional Regulatory Information**

##### **Details of Benami Property held**

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

##### **Details of Loans and advances**

The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

##### **Wilful Defaulter**

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

##### **Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

##### **Compliance with number of layers of companies**

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

##### **Compliance with approved Scheme(s) of Arrangements**

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

##### **Discrepancy in utilization of borrowings**

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance

##### **Utilisation of Borrowed funds and share premium:**

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(B) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The company have 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); orb) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company 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.

#### **47 Additional Information**

##### **Undisclosed income**

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

##### **Details of Crypto Currency or Virtual Currency**

The company has not traded or invested in Crypto currency or Virtual Currency.

#### **48 Previous year's figures have been regrouped/reclassified wherever necessary to conform current year's presentation.**

**For A D V & Associates**  
**Chartered Accountants**  
**Firm's Registration: 128045W**

Sd/-  
**Pratik Kabra**  
**Partner**  
**Membership number: 611401**  
**UDIN: 25611401BMHWLL3298**

**Place: Patna**  
**Date: February 20, 2025**

**For and on behalf of the Board of Directors of**  
**BMW Ventures Limited**

Sd/-  
**Bijay Kumar Kishorepuria**  
**Director**  
**DIN: 00626283**

Sd/-  
**Birendra Yadav**  
**Chief Financial Officer**  
**PAN: AJIPK7925P**

Sd/-  
**Nitin Kishorepuria**  
**Managing Director**  
**DIN: 00626377**

Sd/-  
**Ruchika Maheshwari**  
**Company Secretary**  
**PAN. CTLPM1352F**

## OTHER FINANCIAL INFORMATION

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Basic EPS (₹)	3.45	4.73	5.16	5.04
Diluted EPS (₹)	3.45	4.73	5.16	5.04
Return on Net Worth (%)	11.07%	17.45%	23.26%	33.44%
Net Asset Value per Equity Share (₹)	32.93	29.49	24.71	19.63
EBITDA (₹ in lakhs)	6,310.13	7,255.66	6,784.59	6,414.71

1. *Basic/Diluted EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.*
2. *RoNW is calculated- as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholder's funds for that year. Shareholder's funds = Share capital + reserves & surplus - revaluation reserves. Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and 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 Restated Financial Statement, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on respective periods in accordance with Regulation 2(l) (hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018, as amended.*
3. *NAV per Equity Share (in ₹) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.*
4. *EBITDA (Earnings Before interest, tax, depreciation and amortization) is calculated as profit before exceptional items and tax plus finance cost, depreciation and amortization expenses.*

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## CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as on December 31, 2024 on the basis of the Restated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 36, 271 and 330 respectively.

Statement of Capitalization as on December 31, 2024:

(₹ in Lakhs, except ratios)

Particulars	Pre Issue	Post Issue
<b><u>Borrowings</u></b>		
Short- term	39,267.21	[•]
Long- term (including current maturities) (A)	4,804.96	[•]
<b>Total Borrowings (B)</b>	<b>44,072.17</b>	[•]
<b><u>Shareholder's fund</u></b>		
Equity Share capital	6,331.50	[•]
Reserve and Surplus, as restated	14,519.31	[•]
<b>Total Shareholder's fund (C)</b>	<b>20,850.81</b>	[•]
<b>Long- term borrowings / equity ratio {(A)/(C)}</b>	<b>0.23:1</b>	[•]
<b>Total borrowings / equity ratio {(B)/(C)}</b>	<b>2.11:1</b>	[•]

*As certified by A D V & Associates, Chartered Accountants, pursuant to their certificate dated March 28, 2025*

Note: The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same have not been provided in the above statement and to be updated upon finalization of Issue Price.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Financial Statements for the Financial Years 2024, 2023 and 2022 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus. Unless otherwise stated, financial information used in this section is derived from the Restated Financial Statements.*

*This section includes a discussion of financial results for the Financial Years 2024, 2023 and 2022 which were prepared under Ind AS. The Restated Financial Statements, prepared and presented in accordance with Ind AS and in accordance with the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI.*

*Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Financial Statements may not be comparable to our historical financial statements.*

*This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 21 and 36, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year.*

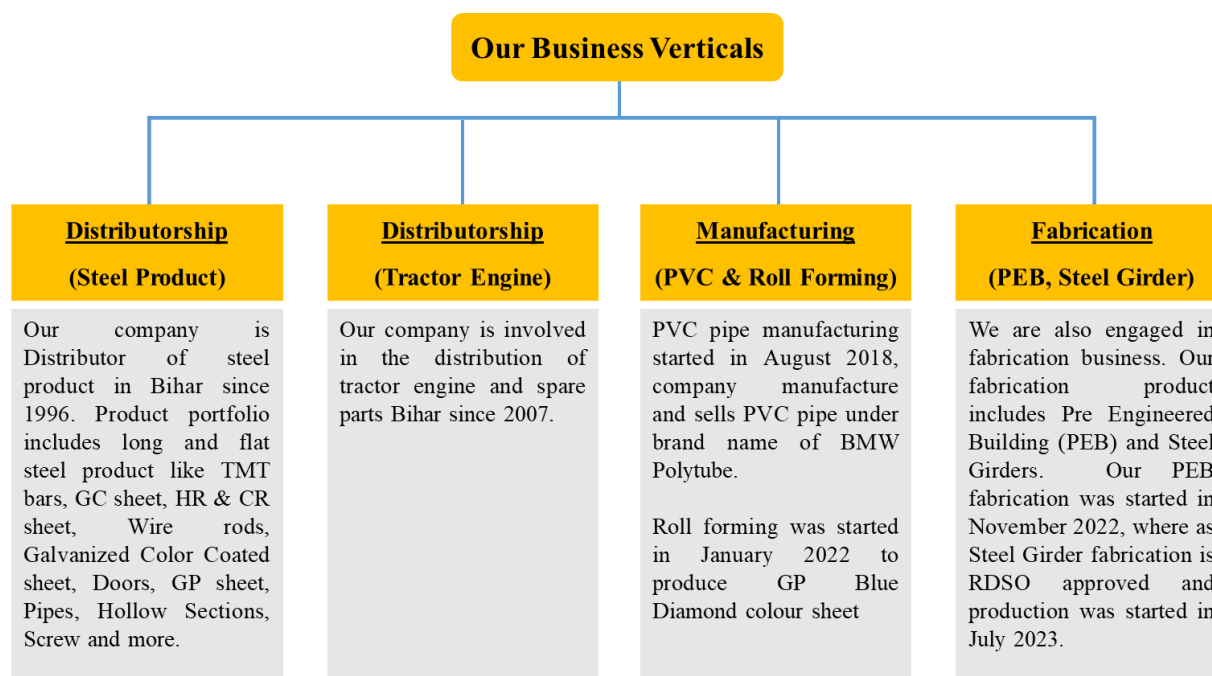
*Unless the context otherwise requires, in this section, references to "we", "us", "our", "the Company" or "our Company" refers to BMW Ventures Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Assessment of steel industry in Bihar (the "CRISIL Report"), prepared and issued by CRISIL and exclusively commissioned and paid for by us in connection with the Issue. 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. For more information, see "Risk Factor No.60 - This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, commissioned by us for the purpose of the Issue for an agreed fee" on page 36. Also see, "Currency Conventions, Currency of Presentation, Use of Financial Information, Industry and Market Data" on page 17.*

### Business Overview

Our company is engaged in trading/Distribution of steel products, tractor engines and spare parts, manufacturing of PVC pipes and roll forming, and the fabrication of pre-engineered buildings (PEB) and steel girders. Over the years, we have established a strong dealer's distributorship network in both long and flat steel products, tractor engine, roll forming and PVC. Further, PEB and steel girder are institutional sales.

Our company specializes in the distribution of long and flat steel products across Bihar, India. We have developed a business model focused on delivering high-quality products and ensuring timely deliveries to our network of dealers. As the exclusive distributor for our primary supplier, we supply steel products through 1,279 dealers as on December 31, 2024 dealers spanning 29 of the 38 districts in Bihar.



Our long products include TMT Bars, Wire - Galvanized wires and Structura - Rectangular, Square and Circular Steel Hollow Sections. Flat steel product portfolio comprises of GC Sheet -Galvanized Corrugated Sheets, GP Sheet - Galvanized Sheets, HR Sheet - Hot Rolled Sheets & Coils, GC Sheet - Colour Coated, CR Sheet - Cold rolled Sheets & Coil, Others steel product includes Agrico -Hoes, shovels, sickles, crowbars, pickaxes and hammers and Door - Residential & Commercial doors and windows.

*For further details refer "Our Business" page 200 of the Draft Red Herring Prospectus.*

## **Basis of Preparation of Restated Financial Statement**

### **a. Statement of Compliance:**

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act"). The financial statements were authorised for issue by the Board of Director on February 20, 2025. These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (₹), as per the requirements of Schedule III of the Act, unless otherwise stated.

### **b. Basis of measurement:**

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

### **c. Significant accounting judgements, estimates and assumptions**

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

#### **d. Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

##### **i. Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

##### **ii. Employee benefit plans**

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation 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 and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **iii. Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

##### **iv. Property Plant and Equipment**

Useful life and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### **Significant Accounting Policies**

##### **a. Property, Plant & Equipments**

**Recognition and initial measurement:** Property, plant and equipment are stated at their cost of acquisition or construction less accumulated depreciation and impairment, if any. Freehold land is measured at cost and is not depreciated.

Cost comprises purchase price, non-recoverable taxes and duties, labour cost, direct overhead for self-constructed assets, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

**Subsequent measurement (depreciation and useful life):** Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment has been provided using written down value method using rates determined based on management's assessment of useful economic life of the asset.

Followings are the estimated useful life of various category of assets used which are aligned with useful life defined in schedule II of Companies Act, 2013:

Office Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computers	3 Years
Solar	35 Years

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Derecognition:** An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

**Capital work-in-progress (CWIP):** Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

## **b. Leases**

At inception of a contract, the Company assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

The contract involves the use of an identified asset –this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and

The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purposes it will be used.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. The Company recognises 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 of 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 and estimated dilapidation costs, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method over the shorter of the useful life of the leased asset or the period of lease. If ownership of the leased asset is automatically transferred at the end of the lease term or the exercise of a purchase option is reflected in the lease payments, the right-of-use asset is amortised on a straight line basis over the expected useful life of the leased asset. The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments. Lease payments include fixed payments, i.e. amounts expected to be payable by the Company under residual value guarantee, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease if the lease term considered reflects that the Company shall exercise termination option. The Company also recognises a right of use asset which comprises of amount of initial measurement of the lease liability, any initial direct cost incurred by the Company and estimated dilapidation costs. Payment made towards short term leases (leases for which non-cancellable term is 12 months or lesser) and low value assets (lease of assets worth less than `0.03 crore) are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

#### **Lessor:**

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms & substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The following amounts are included in the Balance Sheet:

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Non-current	-	-	368.38	392.58
Current	-	-	60.00	88.26
<b>Total</b>	<b>-</b>	<b>-</b>	<b>428.38</b>	<b>480.83</b>

The following amounts are recognised in the statement of profit and loss:

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Interest Expenses on Lease Liabilities	-	-	35.81	44.78
<b>Total</b>	<b>-</b>	<b>-</b>	<b>35.81</b>	<b>44.78</b>

#### **c. Other Intangible Assets**

**Recognition of Intangible Assets:** Intangible assets purchased are measured at cost or fair value as on the date of acquisition less accumulated amortisation and impairment, if any.

**Subsequent Measurement:** Amortisation is provided on a straight-line basis over estimated useful life of the intangible assets, for Software estimated useful life is 6 years.

The amortisation period for intangible assets with finite useful life is reviewed at each year-end. Changes in expected useful life is treated as changes in accounting estimates.

**d. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

*An asset is treated as current when it is:*

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

*A liability is current when:*

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**e. Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**f. Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a FIFO basis. Cost, including fixed and variable production overheads, are allocated to working-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

#### **g. Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

#### **h. Provisions, Contingent Liabilities and Contingent Assets**

##### *Provisions:*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

##### *Contingent Liabilities and Contingent Assets*

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **i. Tax**

*Income tax:* Income tax expense comprises current tax and deferred tax.

*Current tax:* Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

*Deferred tax:* Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

## **j. Revenue Recognition**

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

*A 5-step approach is used to recognise revenue as below:*

**Step 1:** Identify the contract(s) with a customer

**Step 2:** Identify the performance obligation in contract

**Step 3:** Determine the transaction price

**Step 4:** Allocate the transaction price to the performance obligations in the contract

**Step 5:** Recognise revenue when (or as) the entity satisfies a performance obligation

**The Company recognises revenues on the sale of products, net of discounts, sales incentives, customer bonuses and rebates granted, when products are delivered to dealers or customers.**

The Company offers sales incentives in the form of variable marketing expense to customers, which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as a revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Company estimates the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of retailer stock and local market conditions.

*Freight services:*

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date when the outcome of the transaction can be estimated reliably.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on services such as Goods and service tax

*Interest Income:*

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

## **k. Employee Benefits**

*Short-term Employee Benefits:*

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

**Post-employment benefit plans:**

*Defined Contribution Plans:* State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

*Defined benefit plans:* A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. Currently, the Company's gratuity scheme is unfunded. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost are determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement

and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

## **l. Fair Value Measurement**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to/ by the Company.

### **Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

**Level 3:** Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **m. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **i. Financial Assets:**

#### ***Initial recognition and measurement***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### ***Subsequent measurement:***

For purposes of subsequent measurement, financial assets are classified in five categories:

- Debt instruments at amortised cost

- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

***Debt instruments at amortised cost:***

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation and losses arising from impairment are recognised in the Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any.

***Debt instrument at FVTPL***

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Company has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

***Impairment of financial assets***

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:  
Financial assets that are debt instruments, and are measured at amortised cost e.g. Loans and trade receivables.

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**ii. Financial liabilities:**

***Initial recognition and measurement***

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

### ***Subsequent measurement***

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

### ***Derecognition***

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

### ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

## **n. Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

## **o. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **p. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.



## Principal Component of Income and Expenditure:

- **Total Income/Revenue**

Total income comprises of (i) Revenue from Operations and (ii) Other Income

*The table set forth shows mix of Total Revenue/Income of our company for the given period.*

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Revenue from Operations</b>	147,717.92	193,819.63	201,509.72	156,358.80
<i>As % of Total Revenue</i>	99.78%	99.80%	99.85%	99.82%
<i>Increase/(Decrease) in %</i>	-23.79%	-3.82%	28.88%	NA
<b>Other Income</b>	324.74	383.52	302.51	284.95
<i>As % of Total Revenue</i>	0.22%	0.20%	0.15%	0.18%
<i>Increase/(Decrease) in %</i>	-15.33%	26.78%	6.16%	NA
<b>Total Income/Revenue</b>	<b>1,48,042.65</b>	<b>1,94,203.15</b>	<b>2,01,812.23</b>	<b>1,56,643.75</b>

Our company has generated the total income of ₹148,042.65 lakhs, ₹194,203.15 lakhs, ₹201,812.23 lakhs and ₹156,643.75 for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. This includes,

Revenue from operations of ₹147,717.92 lakhs, ₹193,819.63 lakhs, ₹201,509.72 lakhs and ₹156,358.80 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. Revenue from operations constitutes 99.78%, 99.80%, 99.85% and 99.82% of the total income for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. While, other income is reported to be ₹324.74 lakhs, ₹383.52 lakhs, ₹302.51 lakhs and ₹284.95 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

- **Revenue from Operations**

Revenue is combination of revenue from Trading Products, Manufacturing/Fabrication Products and Other Operating Income.

*The following is the mix of revenue from operations of our Company for different products:*

(₹ in lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Revenue from Operation</b>				
<b>Trading Products</b>	<b>1,46,147.79</b>	<b>1,90,820.76</b>	<b>2,00,180.67</b>	<b>1,55,500.62</b>
<i>As % of Revenue from Operations</i>	98.94%	98.45%	99.34%	99.45%
<i>As % of Total Revenue</i>	98.72%	98.26%	99.19%	99.27%
<i>Increase/(Decrease) in %</i>	-23.41%	-4.68%	28.73%	NA
<b>Manufacturing Products</b>	<b>702.67</b>	<b>2,040.35</b>	<b>823.12</b>	<b>423.78</b>
<i>As % of Total Revenue from Operations</i>	0.48%	1.05%	0.41%	0.27%
<i>As % of Total Revenue</i>	0.47%	1.05%	0.41%	0.27%
<i>Increase/(Decrease) in %</i>	-65.56%	147.88%	94.23%	NA
<b>Other Operating Income</b>	<b>867.47</b>	<b>958.52</b>	<b>505.92</b>	<b>434.40</b>
<i>As % of Total Revenue from Operations</i>	0.59%	0.49%	0.25%	0.28%
<i>As % of Total Revenue</i>	0.59%	0.49%	0.25%	0.28%
<i>Increase/(Decrease) in %</i>	-9.50%	89.46%	16.46%	NA
<b>Total Revenue from Operation</b>	<b>1,47,717.92</b>	<b>1,93,819.63</b>	<b>2,01,509.72</b>	<b>1,56,358.80</b>



Revenue from operations consists of revenue from Trading Product, Manufacturing Products and Other Operating Income.

Revenue from Trading Product was reported at ₹146,147.79 Lakhs, ₹190,820.76 lakhs, ₹200,180.67 lakhs and ₹155,500.62 for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. As percent of revenue from operations, it is 98.94%, 98.45%, 99.34% and 99.45% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

Revenue from Manufacturing Product was reported at ₹702.67 Lakhs, ₹2,040.35 lakhs, ₹823.12 lakhs and ₹423.78 for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. As percent of revenue from operations, it is 0.48%, 1.05%, 0.41% and 0.27% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

Other Operating income for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was reported at ₹867.47 lakhs, ₹958.52 lakhs, ₹505.92 lakhs, ₹434.40 lakhs respectively. As percent of revenue from operations, it is 0.59%, 0.49%, 0.25% and 0.28% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

#### • Other Income

Other Income consist of various non-operating income, (i) Commission, (ii) Energy Generation Charges, (iii) Installation & Maintenance Charges, (iv) Interest Received, (v) Profit on sale of Fixed Assets, (vi) Sales Promotion, (vii) Rent/Establishment Charges Received, (viii) Balance W/Off, (ix) Insurance Claim Received, (x) Rent Income, (xi) Gain on Cancellation of Lease contract, (xii) Interest on Deposits, (xiv) Fair Market Value gain on Investments, (xv) Interest on Income Tax Refund.

The following is the mix of Other Income:

(₹ in lakhs)				
Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Other Income:</b>				
Commission	-	0.91	20.03	21.09
<i>As % of Total Other Income</i>	-	0.24%	6.62%	7.40%
Energy Generation Charges	7.15	10.23	10.93	11.62
<i>As % of Total Other Income</i>	2.20%	2.67%	3.61%	4.08%
Installation & Maintenance Charges	-	-	7.74	20.54
<i>As % of Total Other Income</i>	-	-	2.56%	7.21%
Interest Received	70.60	119.75	89.79	97.80
<i>As % of Total Other Income</i>	21.74%	31.23%	29.68%	34.32%
Profit on sale of Fixed Assets	-	-	2.28	0.90
<i>As % of Total Other Income</i>	-	-	0.75%	0.31%
Sales Promotion	36.30	71.47	20.62	19.70
<i>As % of Total Other Income</i>	11.18%	18.64%	6.82%	6.91%
Rent/Establishment Charges Received	-	4.68	18.42	20.01
<i>As % of Total Other Income</i>	-	1.22%	6.09%	7.02%
Balance W/Off	1.62	-	0.22	0.06
<i>As % of Total Other Income</i>	0.50%	-	0.07%	0.02%
Insurance Claim Received	-	2.69	-	-
<i>As % of Total Other Income</i>	-	0.70%	-	-
Rent Income	101.47	132.65	128.80	88.86
<i>As % of Total Other Income</i>	31.25%	34.59%	42.58%	31.18%
Gain on Cancellation of Lease contract	-	37.41	-	-
<i>As % of Total Other Income</i>	-	9.76%	-	-
Gain on Debtor Impairment	103.97	-	-	-

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<i>As % of Total Other Income</i>	32.02%	-	-	-
Interest on Income tax Refund	0.89	-	-	-
<i>As % of Total Other Income</i>	0.27%	-	-	-
Interest on Deposits (IND AS)	-	-	3.70	4.37
<i>As % of Total Other Income</i>	-	-	1.22%	1.53%
Fair Market Value gain on Investment	2.73	3.72	-	0.01
<i>As % of Total Other Income</i>	0.84%	0.97%	0.00%	0.00%
<b>Total Other Income</b>	<b>324.74</b>	<b>383.52</b>	<b>302.51</b>	<b>284.95</b>

Company has reported the Other income of ₹324.74 lakhs, ₹383.52 lakhs, ₹302.51 lakhs and ₹284.95 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. As percent of total income, it is 0.22%, 0.020%, 0.15% and 0.18% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

#### • Expenses

Total Expenses includes (i) Cost of Material Consumed, (ii) Purchase of stock in Trade, (iii) Changes in Inventories, (iv) Employee Benefit Expenses, (v) Finance costs (vi) Depreciation and Amortization, and (vii) Other expenses.

*The following is the Mix of Expenses to the Total Expenditure*

(₹ in lakhs)				
Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Total Income/Revenue</b>	<b>1,48,042.65</b>	<b>1,94,203.15</b>	<b>2,01,812.23</b>	<b>1,56,643.75</b>
<b>Expenditure</b>				
<b>Cost of materials consumed</b>	<b>351.13</b>	<b>1,780.50</b>	<b>662.11</b>	<b>486.33</b>
<i>As % of Total Expenditure</i>	0.24%	0.94%	0.34%	0.32%
<b>Purchase of stock in Trade</b>	<b>133,876.88</b>	<b>183,847.15</b>	<b>197,426.61</b>	<b>143,016.47</b>
<i>As % of Total Expenditure</i>	92.36%	96.68%	99.97%	93.88%
<b>Changes in Inventories</b>	<b>(652.34)</b>	<b>(8,575.21)</b>	<b>(11,296.27)</b>	<b>(550.37)</b>
<i>As % of Total Expenditure</i>	-0.45%	-4.51%	-5.72%	-0.36%
<b>Employee Benefit Expenses</b>	<b>1,151.68</b>	<b>2,014.64</b>	<b>1,902.14</b>	<b>1,672.04</b>
<i>As % of Total Expenditure</i>	0.79%	1.06%	0.96%	1.10%
<b>Finance costs</b>	<b>2,858.86</b>	<b>2,799.27</b>	<b>2,065.15</b>	<b>1,642.09</b>
<i>As % of Total Expenditure</i>	1.97%	1.47%	1.05%	1.08%
<b>Depreciation and Amortization</b>	<b>356.09</b>	<b>419.69</b>	<b>395.51</b>	<b>473.23</b>
<i>As % of Total Expenditure</i>	0.25%	0.22%	0.20%	0.31%
<b>Other expenses</b>	<b>7,005.17</b>	<b>7,880.40</b>	<b>6,333.05</b>	<b>5,604.57</b>
<i>As % of Total Expenditure</i>	4.83%	4.14%	3.21%	3.68%
<b>Total Expenditure</b>	<b>1,44,947.48</b>	<b>1,90,166.44</b>	<b>1,97,488.29</b>	<b>1,52,344.35</b>

Company has reported the total expenditure of ₹144,947.48 lakhs, ₹190,166.44 lakhs, ₹197,488.29 lakhs and ₹152,344.35 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. Major part of total expenses in Purchase of stock in trade which accounted for 92.36%, 96.68%, 99.97% and 93.88% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

#### • Profit/(Loss) Before Tax

Company has reported the profit before tax of ₹3,095.18 lakhs, ₹4,036.70 lakhs, ₹4,323.94 lakhs and ₹4,299.40 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

- **Tax Expenses**

Total tax expenses were ₹908.52 lakhs, 1,043.16 lakhs, ₹1,058.08 lakhs and ₹1,105.39 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. Tax expenses constitutes of Current Tax, Tax provisions for earlier year and Deferred Tax

- **Profit/(Loss) After Tax**

Company has reported the profit after tax of ₹2,186.66 lakhs, ₹2,993.54 lakhs, ₹3,265.86 lakhs and ₹3,194.01 lakhs for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. As percent of total income, it is 1.48%, 1.54%, 1.62% and 2.04% for the period ended December 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively.

## Result of Operations

The table set forth shows the revenue and expenses of our company for the given period.

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>INCOME</b>				
Revenue from Operations	1,47,717.92	1,93,819.63	2,01,509.72	1,56,358.80
<i>As a % of Total Revenue</i>	99.78%	99.80%	99.85%	99.82%
Other Income	324.74	383.52	302.51	284.95
<i>As a % of Total Revenue</i>	0.22%	0.20%	0.15%	0.18%
<b>Total Income/Revenue</b>	<b>1,48,042.65</b>	<b>1,94,203.15</b>	<b>2,01,812.23</b>	<b>1,56,643.75</b>
<b>EXPENDITURE</b>				
Cost of materials consumed	351.13	1,780.50	662.11	486.33
<i>As a % of Total Revenue</i>	0.24%	0.92%	0.33%	0.31%
Purchase of stock in Trade	133,876.88	183,847.15	197,426.61	143,016.47
<i>As a % of Total Revenue</i>	90.43%	94.67%	97.83%	91.30%
Changes in Inventories	(652.34)	(8,575.21)	(11,296.27)	(550.37)
<i>As a % of Total Revenue</i>	-0.44%	-4.42%	-5.60%	-0.35%
Employee Benefit Expenses	1,151.68	2,014.64	1,902.14	1,672.04
<i>As a % of Total Revenue</i>	0.78%	1.04%	0.94%	1.07%
Finance costs	2,858.86	2,799.27	2,065.15	1,642.09
<i>As a % of Total Revenue</i>	1.93%	1.44%	1.02%	1.05%
Depreciation and Amortization	356.09	419.69	395.51	473.23
<i>As a % of Total Revenue</i>	0.24%	0.22%	0.20%	0.30%
Other expenses	7,005.17	7,880.40	6,333.05	5,604.57
<i>As a % of Total Revenue</i>	4.73%	4.06%	3.14%	3.58%
<b>Total Expenditure</b>	<b>1,44,947.48</b>	<b>1,90,166.44</b>	<b>1,97,488.29</b>	<b>1,52,344.35</b>
<i>As a % of Total Revenue</i>	97.91%	97.92%	97.86%	97.26%
<b>Profit Before Tax</b>	<b>3,095.18</b>	<b>4,036.70</b>	<b>4,323.94</b>	<b>4,299.40</b>
<i>As a % of Total Revenue</i>	2.09%	2.08%	2.14%	2.74%
<b>Tax expense :</b>				
Current Tax	705.14	947.95	1,045.83	1,045.34
Tax provisions for earlier year	-	-	-	-
Deferred Tax	203.38	95.22	12.24	60.05
<b>Total Tax Expenses</b>	<b>908.52</b>	<b>1,043.16</b>	<b>1,058.08</b>	<b>1,105.39</b>
<i>As a % of Total Revenue</i>	0.61%	0.54%	0.52%	0.71%
<b>Profit After Tax</b>	<b>2,186.66</b>	<b>2,993.54</b>	<b>3,265.86</b>	<b>3,194.01</b>
<b>Other Comprehensive Income</b>				

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<i>Items that will not be reclassified to profit or loss in subsequent periods :</i>				
Re-measurement (loss) / gain on defined benefit plans	(8.905)	39.525	(66.513)	18.155
Share of other comprehensive loss of an associate	2.241	(9.948)	16.740	(4.569)
<b>Total Other Comprehensive Income</b>	<b>(6.66)</b>	<b>29.58</b>	<b>(49.77)</b>	<b>13.59</b>
<b>Total Comprehensive Income</b>	<b>2,180.00</b>	<b>3,023.12</b>	<b>3,216.09</b>	<b>3,207.60</b>

#### For the Period Ended December 2024

#### Total Income/Revenue

Our company has achieved a total revenue of ₹1,48,042.65 lakhs, comprising ₹1,47,717.92 lakhs from operations and ₹324.74 lakhs from other income. Revenue from operations accounts for 99.78% of the total income, while other income represents 0.22%.

#### Revenue from Operations

For the period ended December 2024, revenue from operations amounted to ₹1,47,717.92 lakhs, representing 99.78% of the total income for the period. Revenue from operations comprised revenue from trading products, manufacturing products, and other operating income, amounting to ₹1,46,147.79 lakhs, ₹702.67 lakhs, and ₹867.47 lakhs, respectively. The contribution of trading products, manufacturing products, and other operating income to the total revenue from operations stood at 98.94%, 0.48%, and 0.59%, respectively.

#### Other Income

For the period ended December 2024, other income was reported at ₹324.74 lakhs which constitute 0.22% of the Total Income. Other Income comprised of Energy Generation Charges of ₹7.15 lakhs, Interest Received of ₹70.60 lakhs, Sales Promotion ₹36.30 lakhs, Balance written Off of ₹1.62 lakhs, Rent Income of ₹101.47 lakhs, Gain on Debtor Impairment of ₹103.97 lakhs, Interest on Income Tax Refund of ₹0.89 and Fair Market Value gain on Investment ₹2.73 lakhs.

#### Cost of Material Consumed

For the period ended December 2024, Cost of Material Consumed was ₹351.13 lakhs, representing 0.24% of the Total Income. At the start of the period company has ₹355.31 lakhs as raw material and company has purchased ₹364.67 lakhs of raw material during the period ended December 2024. Also the closing inventory was valued at ₹368.85 lakhs for the said period.

#### Purchase of stock in Trade

For the period ended December 2024, Purchase of stock in Trade was ₹1,33,876.88 lakhs, representing 90.43% of the Total Income. Major part of Purchases was towards purchase of Iron & steel Product that amounted to ₹131,618.76 lakhs, representing 98.31% of the Total Purchases for the period.

#### Change in Inventories

Change in inventories amounted to ₹(652.34) lakhs were reported for the period ended December 2024, Company has opening inventory of ₹31,712.15 lakhs at the start of the period and closing inventory was reported amounting to ₹32,364.48 lakhs. The net increase in inventories was primarily on account of increase in inventory of Steel product by ₹881.49 lakhs partially offset by decrease in inventory of manufacturing product by ₹229.15 lakhs.

### **Employee Benefit Expenses**

For the period ended December 2024, Employee Benefit Expenses amounted to ₹1,151.68 lakhs, representing 0.78% of the Total Income. Major part of employee expenses was Salary of ₹611.40 lakhs, Wages of ₹292.14 lakhs, Staff & Labour Welfare of ₹84.97 lakhs, Contribution to P. F. of ₹66.18 lakhs, and Gratuity of ₹55.31 lakhs. These major expenses collectively accounted for 96.38% of the Total Other expenses.

### **Finance Cost**

The finance cost for the period amounted to ₹2,858.86 lakhs, representing 1.93% of the total income. It comprises interest expenses, including ₹2,330.78 lakhs on cash credit (CC) and term loans from banks, ₹509.79 lakhs on channel financing, and ₹18.30 lakhs on unsecured loans. Interest on CC and term loans accounted for 81.53% of the total finance cost. This was primarily driven by increase in cash credit from banks by ₹4,053.85 lakhs, reaching to ₹30,773.61 lakhs as of December 2024, compared to ₹26,719.76 lakhs outstanding in fiscal 2024.

### **Depreciation and Amortization**

For the period ended December 2024, Depreciation and amortization was amounted to ₹356.09 lakhs representing 0.24% of the Total Income. Under Property, plant and equipment, depreciation charged on Buildings was ₹122.62 lakhs, Plant and equipment was ₹107.76 lakhs, Solar plant was ₹3.60 lakhs, Furniture's & Fittings was ₹3.12 lakhs, on vehicles was ₹26.78 lakhs, Office Equipments was ₹18.54 lakhs, Electrical Installation was ₹7.77 lakhs, Computers was ₹6.23 lakhs Equipments for Rental was ₹41.47 lakhs, and Intangible assets of ₹7.93 lakhs.

Also, Under Investment in Properties, Depreciation charged on Free Hold Land was ₹10.08 lakhs and ₹0.20 lakhs on Electrical Installations, which collectively amounted to ₹10.28 lakhs.

### **Other Expenses**

For the period ended December 2024, Other expenses amounted to ₹7,005.17 lakhs, representing 4.73% of the Total Income. Major parts of Other expenses were, PEB & Railway Manufacturing Expenses of ₹435.60 lakhs, Dealers Conference, Seminar & Sales Promotion of ₹2,370.60 lakhs, Directors' Remuneration of ₹243.00 lakhs, Rent of ₹326.55 lakhs, Repair & Maintenance of ₹167.94 lakhs, Transportation, Loading & Unloading Charges of ₹2,203.20 lakhs, and Travelling & Conveyance of ₹170.50 lakhs. These expenses collectively accounted to 84.47% of the Total Other Expenses.

### **Total Expenditures**

For the period ended December 2024, Total Expenditure amounted to ₹1,44,947.48 lakhs, representing 97.91% of the Total Income. Total expenditure comprised of Cost of Material Consumed, Purchase of stock in Trade, Changes in Inventories, Employee Benefit Expenses, Finance Costs, Depreciation Expense and Other Expenses, amounting to ₹351.13 lakhs, ₹1,33,876.88 lakhs, ₹(652.34) lakhs, ₹1,151.68 lakhs, ₹2,858.86 lakhs, ₹356.09 lakhs, and ₹7,005.17 lakhs, respectively.

### **Profit Before Tax (PBT)**

For the period ended December 2024, Company has reported the Profit Before Tax of ₹3,095.18 lakhs. Profit before Tax as percent of total income or PBT Margin stood at 2.09%.

### **Tax Expenses**

Tax expenses for the period ended December 2024 was amounted to ₹908.52 lakhs, which comprised of Current Tax of ₹705.14 lakhs, and Deferred Tax of ₹203.38 lakhs.

## **Profit After Tax (PAT)**

Profit after tax for the period ended December 2024 amounted to ₹2,186.66 lakhs. Profit after Tax as percent of total income or PAT Margin stood at 1.48%.

## **Fiscal 2024 Compared to Fiscal 2023**

### **Total Income/Revenue**

Our company has achieved a total income of ₹194,203.15 lakhs, which has declined by ₹7,690.08 lakhs and by 3.77% compared to total income of ₹2,01,812.23 lakhs in fiscal 2023. Decline in total income was resulted from fall in Revenue from Operations, from ₹2,01,509.72 lakhs in fiscal 2023 to ₹1,93,819.63 lakhs in fiscal 2024, this shows the decline of 3.82% in revenue from operations.

### **Revenue from Operations**

Revenue from operations in fiscal 2024 was amounted to ₹1,93,819.63 lakhs which declined by ₹7,690.09 lakhs and by 3.82% against ₹2,01,509.72 lakhs in fiscal 2023. Revenue from operation comprised of Trading revenue of ₹190,820.76 lakhs which declined by 4.68%, Revenue from Manufacturing products of ₹2,040.35 lakhs which increased by 147.88% and Other Operating Income of ₹958.52 lakhs which increased by 89.46%. Decline in revenue from operation was resulted from fall in sale of TMT bars which contributed 66.64% to the revenue from operations and Average realization per ton on TMT has also fallen by 9.48% in fiscal 2024, Revenue from TMT fell by 6.46% to ₹129,163.54 lakhs compared to Fiscal 2023 and average realization per ton declined by 9.48% to ₹62,670.46 per MT in fiscal 2024 compared to Fiscal 2023. Also, average realization on flat products collectively have gone down by 2.30% to ₹77,413.92 in fiscal 2024 compared to ₹79,233.15 in fiscal 2023.

### **Other Income**

Other income was reported at ₹383.52 lakhs which constituted 0.20% of the Total Income. Other income comprised of Commission of ₹0.91 lakhs Energy Generation Charges of ₹10.23 lakhs, Interest Received of ₹119.75 lakhs, Sales Promotion of ₹71.47 lakhs, Rent/Establishment Charges Received of ₹4.68 lakhs, Insurance Claim Received of ₹2.69 lakhs, Rent Income of ₹132.65 lakhs, Gain on Cancellation of Lease Contract of ₹37.41 lakhs, and Fair Market Value gain on Investment of ₹3.72 lakhs.

### **Cost of Material Consumed**

Cost of Material Consumed was amounted to ₹1,780.50 lakhs, representing 0.92% of the Total Income. At the start of the period company has ₹322.14 lakhs as raw material and company has purchased ₹1,813.67 lakhs of raw material fiscal 2024. Also the closing inventory was valued at ₹355.31 lakhs for the said period.

### **Purchase of stock in Trade**

Purchase of stock in Trade was ₹183,847.15 lakhs, representing 94.67% of the Total Income. Major part of Purchases was towards purchase of Iron & steel Product that amounted to 189,808.99 lakhs, which has fallen by 5.57% compared to fiscal 2023. Overall Purchase have declined by ₹13,579.46 lakhs and by 6.88% compared to fiscal 2023 due to lower demand primarily from TMT bars.

### **Change in Inventories**

Change in inventories amounted to ₹(8,575.21) lakhs were reported for fiscal 2024, Company has opening inventory of ₹23,136.94 lakhs at the start of the period and closing inventory was reported amounting to ₹31,712.15 lakhs. The net increase in inventories was primarily on account of increase in inventory of Steel product by ₹8,224.58 lakhs.



## **Employee Benefit Expenses**

Employee Benefit Expenses amounted to ₹2,014.64 lakhs, representing 1.04% of the Total Income. Major part of employee expenses was Salary of ₹611.40 lakhs, Wages of ₹839.58 lakhs, Wages of ₹418.93 lakhs, Incentive to Employee of ₹289.85 lakhs, Staff & Labour Welfare expenses of ₹112.99 lakhs, and Contribution to P. F. of ₹111.04 lakhs. Collectively these major expenses accounted for 87.98% to the total employee expenses. Also, Employee expenses in fiscal 2024 has increased by ₹112.51 lakhs and by 5.91% compared to fiscal 2023.

## **Finance Cost**

The finance cost for the period amounted to ₹2,799.27 lakhs, representing 1.44% of the total income. It comprises interest expenses, including ₹2,548.38 lakhs on cash credit (CC) and term loans from banks, ₹201.28 lakhs on channel financing, and ₹9.75 lakhs on unsecured loans and interest to suppliers of ₹39.86 lakhs. Interest on CC and term loans accounted for 91.04% of the total finance cost. This was primarily driven by increase in cash credit from banks by ₹3,242.75 lakhs, reaching to ₹26,719.76 lakhs in fiscal 2024, Company has also availed channel finance of ₹6,946.40 lakhs during fiscal 2024. Overall finance cost has increased by ₹734.12 lakhs and by 35.55% compared to fiscal 2023.

## **Depreciation and Amortization**

Depreciation and amortization was amounted to ₹419.69 lakhs representing 0.22% of the Total Income in fiscal 2024. Under Property, plant and equipment, depreciation charged on Buildings was ₹147.57 lakhs, Plant and equipment was ₹122.75 lakhs, Solar plant was ₹4.80 lakhs, Furniture's & Fittings was ₹2.88 lakhs, on vehicles was ₹33.07 lakhs, Office Equipments was ₹22.21 lakhs, Electrical Installation was ₹8.01 lakhs, Computers was ₹12.01 lakhs, Equipments for Rental was ₹42.10 lakhs.

Also, Under Investment in Properties, Depreciation charged on Free Hold Land was ₹13.44 lakhs and ₹0.28 lakhs on Electrical Installations, which collectively amounted to ₹13.72 lakhs.

## **Other Expenses**

For the fiscal 2024, Other expenses amounted to ₹7,880.40 lakhs, representing 4.06% of the Total Income. Other expenses have increased by ₹1,547.35 lakhs and by 24.43% compared to fiscal 2023. Major parts of Other expenses were, Packing Material of ₹178.33 lakhs, PEB & Railway Manufacturing Expenses of ₹339.52 lakhs, Dealers Conference, Seminar & Sales Promotion of ₹2,147.13 lakhs, Directors' Remuneration of ₹240.00 lakhs, Rent of ₹390.04 lakhs, Repair & Maintenance of ₹178.55 lakhs, Transportation, Loading & Unloading Charges of ₹2,853.00 lakhs, and Travelling & Conveyance of ₹327.76 lakhs. These expenses collectively accounted to 84.44% of the Total Other Expenses.

## **Total Expenditures**

For fiscal 2024, Total Expenditure amounted to ₹190,166.44 lakhs, representing 97.92% of the Total Income. Total expenditure comprised of Cost of Material Consumed, Purchase of stock in Trade, Changes in Inventories, Employee Benefit Expenses, Finance Costs, Depreciation Expense and Other Expenses, amounting to ₹1,780.50 lakhs, ₹183,847.15 lakhs, ₹(8,575.21) lakhs, ₹2,014.64 lakhs, ₹2,799.27 lakhs, ₹419.69 lakhs, and ₹7,880.40 lakhs, respectively. Total Expenditure declined by 3.71% and by ₹7,321.85 lakhs compared to fiscal 2023.

## **Profit Before Tax (PBT)**

For fiscal 2024, Company has reported the Profit Before Tax of ₹4,036.70 lakhs. Profit before Tax as percent of total income or PBT Margin stood at 2.08%. PBT declined by ₹287.24 lakhs and by 6.64% compared to fiscal 2023. Increase in Total expenditure as percent of total income which has gone up from 97.86% in fiscal 2023 to 97.92% in fiscal 2024 and lower sales in value and fall in average realization collectively resulted to lower profitability.

## **Tax Expenses**

Tax expenses for the fiscal 2024 was amounted to ₹1,043.16 lakhs, which comprised of Current Tax of ₹947.95 lakhs, and Deferred Tax of ₹95.22 lakhs.

## **Profit After Tax (PAT)**

Profit after tax for fiscal 2024 amounted to ₹2,993.54 lakhs. Profit after Tax as percent of total income or PAT Margin stood at 1.54% compared to 1.62% in fiscal 2023. Also profit after tax has decreased by 272.32 lakhs and by 8.34% compared to fiscal 2023.

## **Fiscal 2023 Compared to Fiscal 2022**

### **Total Income/Revenue**

In fiscal 2023, company has achieved a total income of ₹201,812.23 lakhs, which has increased by ₹45,168.47lakhs and by 28.84% compared to total income of ₹1,56,643.75 lakhs in fiscal 2022. Increase in total income was resulted from increase in Revenue from Operations, from ₹156,358.80 lakhs in fiscal 2022 to ₹2,01,509.72 lakhs in fiscal 2023, which shows the growth of 28.88% in revenue from operations.

### **Revenue from Operations**

Revenue from operations in fiscal 2023 was amounted to ₹2,01,509.72 lakhs which increased by ₹45,150.92lakhs and by 28.88% against ₹1,56,358.80 lakhs in fiscal 2022. Revenue from operation comprised of Trading revenue of ₹2,00,180.67 lakhs which increased by 28.73%, Revenue from Manufacturing products of ₹823.12 lakhs which increased by 94.23% and Other Operating Income of ₹505.92 lakhs which increased by 16.46%. Increase in revenue from operation was resulted from increase in sale of TMT bars which contributed 68.52% to the revenue from operations and Average realization per ton on TMT has also increased in fiscal 2023, Revenue from TMT grew by 41.43% to ₹1,38,077.64 lakhs compared to Fiscal 2022 and average realization per ton increased by 8.09% to ₹69,230.47 per ton in fiscal 2023 compared to Fiscal 2022. Though the average realization on Flat product collectively has decreased by 7.54%, however increase in volumes of Long Product and realization has pushed the revenue on higher side compared to fiscal 2022. Higher sales volumes in overall product mix was due to rise in post COVID demand which has helped to book higher revenues in fiscal 2023.

### **Other Income**

Other income was reported at ₹302.51 lakhs which constituted 0.15% of the Total Income. Other income comprised of Commission of ₹20.03 lakhs, Energy Generation Charges of ₹10.93 lakhs, Installation & Maintenance Charges of ₹7.74 lakhs, Interest Received of ₹89.79 lakhs, Profit on sale of Fixed Assets of ₹2.28 lakhs, Sales Promotion of ₹20.62 lakhs, Rent/Establishment Charges Received of ₹18.42 lakhs, Insurance Claim Received of ₹2.69 lakhs, Rent Income of ₹132.65 lakhs, Gain on Cancellation of Lease Contract of ₹128.80 lakhs, and Interest on Deposits of ₹3.70 lakhs. Other Income has increased by 6.16% and by ₹17.56 lakhs compared to fiscal 2023.

### **Cost of Material Consumed**

Cost of Material Consumed was amounted to ₹662.11 lakhs, representing 0.33% of the Total Income. At the start of the period company has ₹589.62 lakhs as raw material and company has purchased ₹396.04 lakhs of raw material fiscal 2023 and the closing inventory was valued at ₹322.14 lakhs for the said period.

### **Purchase of stock in Trade**

Purchase of stock in Trade was ₹1,97,426.61 lakhs, representing 97.83% of the Total Income. Major part of Purchases was towards purchase of Iron & steel Product that amounted to ₹2,00,994.85 lakhs, which has increased by 38.06% compared to fiscal 2022. Overall Purchase have increased by ₹54,410.14 lakhs and by 38.04% compared to fiscal 2022 due to higher demand primarily for TMT bars.



### **Change in Inventories**

Change in inventories amounted to ₹(11,296.27) lakhs were reported for fiscal 2023, Company has opening inventory of ₹11840.67 lakhs at the start of the period and closing inventory was reported amounting to ₹23,136.94 lakhs. The net increase in inventories was primarily on account of increase in inventory of Steel product by ₹11,074.67 lakhs.

### **Employee Benefit Expenses**

Employee Benefit Expenses amounted to ₹1,902.14 lakhs, representing 0.94% of the Total Income. Major part of employee expenses was Salary of ₹794.23 lakhs, Wages of ₹420.61 lakhs, Incentive to Employee of ₹281.38 lakhs, Staff & Labour Welfare expenses of ₹85.69 lakhs, Bonus of ₹78.79 lakhs and Contribution to P. F. of ₹104.51 lakhs. Collectively these major expenses accounted for 93.80% to the total employee expenses. Also, Employee expenses in fiscal 2023 has increased by ₹230.09 lakhs and by 13.76% compared to fiscal 2022.

### **Finance Cost**

The finance cost for the period amounted to ₹2,065.15 lakhs, representing 1.02% of the total income. It comprises interest expenses, including ₹1,825.16 lakhs on cash credit (CC) and term loans from banks, ₹186.15 lakhs on channel financing, and ₹5.15 lakhs on unsecured loans and interest to suppliers of ₹12.88 lakhs and Interest on Lease Expenses of ₹35.81. Interest on CC and term loans accounted for 88.38% of the total finance cost. This was primarily driven by increase in cash credit from banks to ₹23,477.01 lakhs. Overall finance cost has increased by ₹423.06 lakhs and by 25.76% compared to fiscal 2022.

### **Depreciation and Amortization**

Depreciation and amortization was amounted to ₹395.51 lakhs representing 0.20% of the Total Income in fiscal 2023. Under Property, plant and equipment, depreciation charged on Buildings was ₹141.91 lakhs, Plant and equipment was ₹107.55 lakhs, Solar plant was ₹4.80 lakhs, Furniture's & Fittings was ₹8.99 lakhs, on vehicles was ₹32.09 lakhs, Office Equipments was ₹21.44 lakhs, Electrical Installation was ₹8.69 lakhs, Computers was ₹7.93 lakhs, Equipments, and Intangible assets of ₹7.93 lakhs.

Also, Under Investment in Properties, Depreciation charged on Free Hold Land was ₹13.44 lakhs and ₹0.30 lakhs on Electrical Installations, which collectively amounted to ₹13.74 lakhs.

### **Other Expenses**

For the fiscal 2023, Other expenses amounted to ₹6,333.05 lakhs, representing 3.14% of the Total Income. Other expenses have increased by ₹728.48 lakhs and by 13.00% compared to fiscal 2022. Major parts of Other expenses were, Packing Material of ₹219.96 lakhs, Dealers Conference, Seminar & Sales Promotion of ₹1,584.99 lakhs, Directors' Remuneration of ₹220.00 lakhs, Rent of ₹228.21 lakhs, Repair & Maintenance of ₹154.10 lakhs, Transportation, Loading & Unloading Charges of ₹2,709.87 lakhs, and Travelling & Conveyance of ₹253.91 lakhs. These expenses collectively accounted to 84.81% of the Total Other Expenses.

### **Total Expenditures**

For fiscal 2023, Total Expenditure amounted to ₹197,488.29 lakhs, representing 97.86% of the Total Income. Total expenditure comprised of Cost of Material Consumed, Purchase of stock in Trade, Changes in Inventories, Employee Benefit Expenses, Finance Costs, Depreciation Expense and Other Expenses, amounting to ₹662.11 lakhs, ₹1,97,426.61 lakhs, ₹(11,296.27) lakhs, ₹1,902.14 lakhs, ₹2,65.15 lakhs, ₹395.51 lakhs, and ₹6,333.05 lakhs, respectively. Total expenditure increased by ₹45,143.94 lakhs and by 29.63% compared to fiscal 2022.

### **Profit Before Tax (PBT)**

For fiscal 2023, Company has reported the Profit Before Tax of ₹4,323.94 lakhs. Profit before Tax as percent of total income or PBT Margin stood at 2.14%. PBT increased by ₹24.54 lakhs and by 0.57% compared to fiscal 2022. Total

expenditure as percent of total income has gone up to 97.86% in fiscal 2023 from 97.26% in fiscal 2022, which weighed on the profitability.

### **Tax Expenses**

Tax expenses for the fiscal 2023 was amounted to ₹1,058.08 lakhs, which comprised of Current Tax of ₹1,045.83 lakhs, and Deferred Tax of ₹12.24 lakhs.

### **Profit After Tax (PAT)**

Profit after tax for fiscal 2023 amounted to ₹3,265.86 lakhs. Profit after Tax as percent of total income or PAT Margin stood at 1.62% compared to 2.04% in fiscal 2022. Also profit after tax has decreased by 71.85 lakhs and by 2.25% compared to fiscal 2022.

### **Comparison of Cash Flow Statement**

(₹ in Lakhs)				
Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Cash Flow from Operating Activities	161.83	(5,304.89)	(8,093.76)	3,956.27
Net Cash Flow from Investing Activities	(1,765.65)	(2,651.17)	(2,120.35)	(2,508.26)
Net Cash Flow from Financing Activities	1,683.65	7,980.98	9,982.21	(2,789.46)
Net increase/(Decrease) in Cash & Cash Equivalent	79.83	24.92	(231.91)	(1,341.45)

### **Cash Flow from Operating Activities**

**For the period ended December 2024:** Operating profit before working capital change was ₹6,236.80 lakhs, the same have been adjusted for increase in inventories of ₹665.87 lakhs, decrease in loans of ₹1,707.24 lakhs, increase in trade receivables of ₹6,861.67 lakhs, increase in other financial assets of ₹20.06 lakhs, decrease in other assets by ₹1,080.83 lakhs, collectively cash outflow on account of current assets have increased by ₹4,759.53 lakhs which was offset by increase in trade payables by ₹257.30 lakhs, decrease in other financial liabilities by 96.01 lakhs, decrease in other liabilities by 926.32 lakhs and increase in provision by ₹73.12 lakhs. Post payment of taxes of ₹623.53 lakhs, company has generated net cash flow from operating activities amounted to ₹161.83 lakhs.

**Fiscal 2024:** Operating profit before working capital change was ₹7,134.30 lakhs, the same have been adjusted for increase in inventories of ₹8,608.38 lakhs, increase in loans of ₹2,623.97 lakhs, increase in trade receivables of ₹3,106.95 lakhs, decrease in other financial assets of ₹25.01 lakhs, decrease in other assets by ₹162.78 lakhs, collectively cash outflow on account of current assets have increased by ₹14,151.51 lakhs which was offset by increase in trade payables by ₹1,859.71 lakhs, decrease in other financial liabilities by 790.95 lakhs, increase in other liabilities by 1,501.33 lakhs and decrease in provision by ₹5.08 lakhs. Post payment of taxes of ₹852.69 lakhs, the net cash used for operating activities amounted to ₹5,304.89 lakhs.

**Fiscal 2023:** Operating profit before working capital change was ₹6,626.02 lakhs, the same have been adjusted for increase in inventories of ₹11,028.79 lakhs, decrease in loans of ₹352.05 lakhs, increase in trade receivables of ₹226.46 lakhs, increase in other financial assets of ₹5.51 lakhs, increase in other assets by ₹936.65 lakhs, collectively cash outflow on account of current assets have increased by ₹11,845.36 lakhs which was offset by increase in trade payables by ₹231.89 lakhs, decrease in other financial liabilities by 1,645.89 lakhs, decrease in other liabilities by ₹474.33 lakhs and increase in provision by ₹53.37 lakhs. Post payment of taxes of ₹1,030.47 lakhs, net cash used for operating activities amounted to ₹8,093.76 lakhs.

**Fiscal 2022:** Operating profit before working capital change was ₹6,337.28 lakhs, the same have been adjusted for increase in inventories of ₹1,130.43 lakhs, increase in loans of ₹85.11 lakhs, decrease in trade receivables of ₹126.12 lakhs, decrease in other financial assets of ₹29.65 lakhs, increase in other assets by ₹1,366.18 lakhs, collectively cash outflow on account of current assets have increased by ₹2,425.95 lakhs which was offset by decrease in trade payables by ₹180.51 lakhs, increase in other financial liabilities by 1,256.80 lakhs, increase in other liabilities by ₹171.15 lakhs and decrease in provision by ₹99.05 lakhs. Post payment of taxes of ₹1,103.45 lakhs, company has generated net cash from operating activities amounted to ₹3,956.27 lakhs.

### *Cash Flow from Investing Activities*

**For the period ended December 2024:** During this period company has Purchase of Property Plant and Equipment of ₹1,817.72 lakhs, funds received from maturity of fixed deposits of ₹39.58 lakhs, interest received of ₹70.60 lakhs and purchase of investments of ₹58.11 lakhs. Collectively this resulted in cash used in investing activities amounted to ₹1,765.65 lakhs.

**Fiscal 2024:** During this period company has Purchase of Property Plant and Equipment of ₹2,697.63 lakhs, funds used in fixed deposits of ₹23.11 lakhs, interest received of ₹119.75 lakhs and purchase of investments of ₹50.18 lakhs. Collectively this resulted in cash used in investing activities amounted to ₹2,651.17 lakhs.

**Fiscal 2023:** During this period company has Purchase of Property Plant and Equipment of ₹2,108.84 lakhs, funds received from Sale of Property Plant and Equipment of 8.91 lakhs, funds received from fixed deposits of ₹2.89 lakhs, interest received of ₹89.78 lakhs and purchase of investments of ₹113.10 lakhs. Collectively, this resulted in cash used in investing activities amounted to ₹2,120.35 lakhs.

**Fiscal 2022:** During this period company has Purchase of Property Plant and Equipment of ₹2,585.65 lakhs, funds received from Sale of Property Plant and Equipment of ₹46.99 lakhs, funds used in fixed deposits of ₹59.24 lakhs, interest received of ₹97.80 lakhs and purchase of investments of ₹8.16 lakhs. Collectively this resulted in cash used in investing activities amounted to ₹2,508.26 lakhs.

### *Cash Flow from Financing Activities*

**For the period ended December 2024:** During this period company has increased the borrowings by ₹4,542.51 lakhs and paid the interest amounted to 2,858.86 lakhs. This collectively resulted to cash generated from financing activities amounted to ₹1,683.65 lakhs.

**Fiscal 2024:** During this period company has increased the borrowings by ₹11,171.22 lakhs and paid the interest amounted to ₹2,799.27 lakhs, also company has paid principal amount on borrowings of ₹390.97 lakhs. This collectively resulted to cash generated from financing activities amounted to ₹7,980.98 lakhs.

**Fiscal 2023:** During this period company has increased the borrowings by ₹12,029.85 lakhs and paid the interest amounted to ₹2,065.15 lakhs adjusting principal amount of ₹17.50 lakhs. This collectively resulted to cash generated from financing activities amounted to ₹9,982.21 lakhs.

**Fiscal 2022:** During this period company has paid net borrowings of ₹753.76 lakhs and paid the interest amounted to ₹1,642.09 lakhs, also company has paid principal amount on borrowings of ₹393.61 lakhs. This collectively resulted to cash used in financing activities amounted to ₹2,789.46 lakhs.

## **Quantitative and qualitative disclosures regarding market and other risks**

### **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

**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 prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

- *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. Since the Company has borrowings based on fixed rate and floating rate, therefore Company is exposed to such risk on borrowings with floating rates.

(₹ in Lakhs)

Sensitivity Analysis of the Interest Rate	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Impact of the change in Interest rate				
Interest cost for the reporting Period	2,840.56	2,749.66	2,011.30	1,541.65
Impact due to increase/Decrease of 1.00%	440.72	395.30	283.58	163.29

- *Equity Price Risk:* The Company's does not have investment in shares hence the company is not exposed to such risk.

**b) Credit Risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet.

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade receivables	20,961.96	14,100.29	10,993.34	10,766.88
Other financial assets	293.42	137.00	526.64	406.81

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an on-going basis.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables has been provided which has been in note 10 of the financial Statements.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

**c) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at December 31, 2024:

(₹ in Lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	44,072.17	40,650.12	3,422.06	-	44,072.17
Trade Payables	2,644.78	2,644.78	-	-	2,644.78
Other Financial Liabilities	887.65	887.65	-	-	887.65
<b>Total</b>	<b>47,604.60</b>	<b>44,182.55</b>	<b>3,422.06</b>	<b>-</b>	<b>47,604.60</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2024:

(₹ in Lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	39,529.66	35,025.70	4,503.96	-	39,529.66
Trade Payables	2,387.48	2,387.48	-	-	2,387.48
Other Financial Liabilities	995.66	995.66	-	-	995.66
<b>Total</b>	<b>42,912.80</b>	<b>38,408.84</b>	<b>4,503.96</b>	<b>-</b>	<b>42,912.80</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2023:

(₹ in Lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	28,358.44	24,212.95	4,145.49	-	28,358.44
Trade Payables	527.77	527.77	-	-	527.77
Other Financial Liabilities	1,781.61	1,781.61	-	-	1,781.61
<b>Total</b>	<b>30,667.82</b>	<b>26,522.33</b>	<b>4,145.49</b>	<b>-</b>	<b>30,667.82</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2022:

(₹ in Lakhs)

Particulars	Carrying amount	Contractual Cash Flows			
		0-1 year	1-5 years	>5 years	Total
Borrowings	16,328.59	13,799.29	2,529.30	-	16,328.59
Trade Payables	295.88	295.88	-	-	295.88
Other Financial Liabilities	3,440.50	3,440.50	-	-	3,440.50
<b>Total</b>	<b>20,064.97</b>	<b>17,535.67</b>	<b>2,529.30</b>	<b>-</b>	<b>20,064.97</b>

### Capital management

The management policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The Following table summarize the capital of the Company:

(₹ in Lakhs)

Particulars	As on December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Short Term Debt	40,650.12	35,025.70	24,212.95	13,799.29
Long Term Debt	3,422.06	4,503.96	4,145.49	2,529.30
Total Debt	44,072.17	39,529.66	28,358.44	16,328.59
Equity	20,850.81	18,670.81	15,647.70	12,431.62
<b>Total Capital</b>	<b>64,922.98</b>	<b>58,200.48</b>	<b>44,006.14</b>	<b>28,760.21</b>

## FINANCIAL INDEBTEDNESS

Our Company has certain loans sanctioned in the ordinary course of its business for the purposes of meeting working capital requirements and capital expenditure requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a restated financial statement, as at December 31, 2024.

(figures in Lakhs)

Category of Borrowings	Sanctioned amount	Institution Name	Loan Type	Sanction Date	Tenure	ROI (%)	Outstanding amount as at 31-12-2024
<b>Secured Loans</b>							
<b>Term loans</b>							
Bank	2,372.00	HDFC Bank	LAP	March 02, 2023	Monthly Instalment for Residual tenor of BOB Sanction Limits	8.35%	1,910.68
Bank	1,000.00	HDFC Bank	LAP	March 02, 2023	60 Months	8.35%	688.12
Bank	1426.50	HDFC Bank	LAP	February 24, 2021	80 Months	8.00%	617.93
Bank	1,270.00	PNB	GECL	December 23, 2020	48 Months	9.25%	449.79
Bank	635.00	PNB	GECL	November 19, 2021	72 Months	9.25%	291.04
Bank	829.78	AXIS	T/L	December 27, 2023 & February 28, 2024 & July 17, 2023	47 Months & 47 Months & 58 Months	8.80%	654.31
Bank	220.00	ICICI	T/L	May 19, 2023	46 Months	9.10%	141.18
<b>Vehicle Loan</b>							
Bank	81.00	PNB	Vehicle Loan	October 30, 2021	84 Months	7.40%	51.90
<b>Working Capital Limits</b>							
Bank	13,500	HDFC	Cash Credit Including WCDL	May 16, 2024	Repayable on demand and renewable every year.	8.50%	13,474.00
Bank	16,000	PNB	Cash Credit Including WCDL	December 31, 2023	12 Months	8.85%	16,000.00
Bank	1,500	PNB	TOD Limit For 7 Days	December 31, 2024	7 Days	10.85%	1299.61
NBFC	2,000	Tata Capital	Channel Finance	November 29, 2023	Interest to be paid on monthly rest basis and principal to be repaid within 90 days of disbursement of each tranche	9.90%	1,996.97

Category of Borrowings	Sanctioned amount	Institution Name	Loan Type	Sanction Date	Tenure	ROI (%)	Outstanding amount as at 31-12-2024
Bank	1,000	Axis Bank	Channel Finance	November 02, 2023	Maximum usance is 90 days from the date of drawdown	9.00%	998.54
Bank	1,000	Yes Bank	Channel Finance	January 31, 2024	60 Days	8.50%	996.08
Bank	1,000	Federal Bank	Channel Finance	January 29, 2024	60 Days	8.60%	997.15
Bank	1,000	DBS	Channel Finance	May 29, 2024	90 Days	8.75%	998.89
Bank	1,500	Standard Chartered	Channel Finance	December 30, 2023	60 Days	9.00%	1498.36
Bank	1,000	ICICI	Channel Finance	October 23, 2024	60 Days	9.00%	1007.62
Total	<b>47,334.28</b>						<b>44,072.17</b>

**Principal terms of borrowing availed by us:**

**1) Tenor:**

- The working capital facilities have a tenor ranging from 3 months to 12 months
- Term Loan have a tenor ranging from 45 months to 84 months
- Vehicle Loan have a tenor ranging from to 84 months.

**2) Security: In terms of our borrowings where security needs to be created, we are typically required to:**

- Equitable mortgage over the Company's building at Stockyard at Baikhatpur, Purnea, Patliputra
- Create a pari-passu charge by way of hypothecation on entire current assets, present and future, of our Company
- Charge on current asset, movable fixed assets and immovable properties of the Company
- Personal guarantee by our Promoters namely Bijay Kumar Kishorepuria, Nitin Kishorepuria, Sabita Devi Kishorepuria and Rachna Kishorepuria
- The above is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us

**3) Events of default:**

The terms of our borrowings contain certain standard events of default which may attract penal charges, including:

- fails to promptly pay any amount now or hereafter owing to the Bank as and when the same shall become due and payable
- overdue interest/ installment in respect of term loans and over-drawings above the drawing power/ limit in fund based working capital accounts;
- any representation has been false at any time or misleading as of the date on which the same was made or deemed to be made;
- failure in performance of any covenant, condition or agreement;
- breach of financial covenants;
- the cessation of business by or the dissolution, winding-up, insolvency or liquidation

**4) Consequences of event of default:** Upon the occurrence of an event of default the lender may levy penal/ interest charges over and above the normal interest applicable in the account.

**5) Negative Covenants:** The borrowing agreements we have entered into with the institutions stipulate that the funds may only be utilized in accordance with the conditions outlined in the sanction letter, and not for any other purposes.



## SECTION VI-LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; or (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Group Companies, our Promoters or our Directors (“**Relevant Parties**”). Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoters in the last five Fiscals immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action.*

*For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated March 25, 2025, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:*

- (a) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 1.00% of the restated Profit After Tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹29.94 lakhs);*
- (b) Any such pending litigation / arbitration proceeding involving the Directors or Promoters or Group Companies of our Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and*
- (c) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

*It is clarified that for the purposes of the above, pre-litigation notices received by any of Relevant Parties, from third parties (other than show cause notices issued by statutory / regulatory / tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party, as the case may be, is impleaded as a defendant/s in proceedings before any judicial / arbitral forum.*

*Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of 5.00% of the restated trade payables of our Company as at the end of the latest period included in the Restated Financial Statements, would be considered as material creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹132.23 lakhs.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.*

#### **1. Litigation involving our Company**

##### **A. Litigation against our Company**

###### *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against our Company.

###### *Actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Company.



### *Civil and Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no civil and other material litigations against our Company.

#### **B. Litigation by our Company**

##### *Criminal Proceedings*

- a) A complaint case bearing number 5644 of 2022 was filed by our Company against M/s. Bajrang Hardware and Anshu Kumar (“**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 12.36 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and initiate trial against the Accused. The matter is presently pending before the Hon’ble Chief Judicial Magistrate, Patna.
- b) A complaint case bearing number 6410 of 2021 was filed by our Company against Mr. Surendar Kumar and M/s. Balaji Enterprises (the “**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 22.91 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of closure of account. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and initiate trial against the Accused. The Hon’ble Chief Judicial Magistrate, Patna pursuant to an order dated September 24, 2022 passed an order directing issuance of summons against the Accused. The matter is currently pending.
- c) A complaint case bearing number 2995 of 2018 was filed by our Company (“**Complainant**”) against Tirupati Agro and Bhushan Yadav (“**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 7.59 lakhs. Subsequently, upon repeated requests, the Accused delivered four payee cheques to our Company against the defaulted amount, which were allegedly dishonoured. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and issue a non-bailable warrant against them. The Hon’ble Chief Judicial Magistrate, Patna pursuant to an order dated July 20, 2018 took cognizance of the matter and issued summons against the Accused. The matter is currently pending before the Hon’ble Chief Judicial Magistrate, Patna.
- d) A complaint case bearing number 2663 of 2022 was filed by our Company against M/s. Jyoti Enterprises and Chanda Devi (the “**Accused**”) before the Hon’ble Additional Chief Judicial Magistrate, Patna under Section 406, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the

products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 1.20 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of being dispensed. Our Company pursuant to the complaint has prayed the Hon'ble Additional Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and initiate trial against the Accused. The matter is currently pending with the Hon'ble Additional Chief Judicial Magistrate, Patna.

- e) A complaint case bearing number 2610 of 2019 was filed by our Company ("**Complainant**") against M/s. Surya Nath Singh and Naveen Kumar Singh ("**Accused**") before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 9.15 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of closure of account. The Accused thereafter made payment towards an amount of ₹ 0.25 lakhs, however an amount of ₹ 8.90 lakhs is still pending. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and issue non-bailable warrant of arrest against the Accused. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- f) A complaint case bearing number 2609 of 2019 was filed by our Company against M/s. Orient Sales and Manjeet Singh (the "**Accused**") before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 1.28 lakhs. Subsequently, upon repeated requests, the Accused delivered two cheques to our Company against the defaulted amount, which were allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and issue non-bailable warrant of arrest against the Accused. The Hon'ble Chief Judicial Magistrate, Patna pursuant to an order dated November 26, 2019 took cognizance of the matter and issued summons against the Accused. Further, the matter was transferred to Hon'ble Judicial Magistrate, 1<sup>st</sup> Class, Patna for trial and disposal. The Hon'ble Judicial Magistrate, 1<sup>st</sup> Class, Patna pursuant to an order dated May 12, 2021 issued summons against the Accused and the matter is presently pending.
- g) A complaint case bearing number 2608 of 2019 was filed by our Company against Moti Private Limited and Umakant Singh (the "**Accused**") before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 3.18 lakhs. Subsequently, upon repeated requests, the Accused delivered a cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and issue non-bailable warrant of arrest against the Accused. The Hon'ble Chief Judicial Magistrate, Patna pursuant to an order dated March 6, 2021 transferred to Hon'ble Judicial Magistrate, 1<sup>st</sup> Class, Patna for trial and disposal. The Hon'ble Judicial Magistrate, 1<sup>st</sup> Class, Patna pursuant to an order dated August 31, 2021 took cognizance of the matter and pursuant to an order dated November 24, 2024 issued bailable warrant against the Accused. The matter is currently pending before Hon'ble

Judicial Magistrate, 1<sup>st</sup> Class, Patna.

- h) A complaint case bearing number 1120 of 2018 was filed by our Company against M/s. Dharamraj Traders and Bhushan Yadav (the “**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 4.76 lakhs. Subsequently, upon repeated requests, the Accused delivered a cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881 and issue non-bailable warrant of arrest against the Accused. The matter is currently pending before Hon’ble Chief Judicial Magistrate, Patna.
- i) A complaint case bearing number 269 of 2020 was filed by our Company against M/s. Sunil Motors and Sunil Kumar (the “**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make part payment against the said orders and therefore defaulted on an amount of ₹ 3.09 lakhs. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860. The matter was subsequently transferred to Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna. The Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna pursuant to an order dated April 21, 2022 took cognizance of the matter and pursuant to an order dated May 11, 2022 issued a bailable warrant against the Accused. The matter is currently pending before the Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna.
- j) A complaint case bearing number 5296 of 2019 was filed by our Company against Vansh Enterprises and Paras Aggrawal (“**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406 and 420 of the Indian Penal Code, 1860. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make part payment against the said orders and therefore defaulted on an amount of ₹ 49.43 lakhs. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406 and 420 of the Indian Penal Code, 1860 and issue a non-bailable warrant against the Accused. The matter was subsequently transferred to Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna. The Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna pursuant to an order dated December 11, 2021 took cognizance of the matter and pursuant to an order dated January 27, 2022 issued a bailable warrant against the Accused. The matter is currently pending before the Hon’ble Judicial Magistrate, 1<sup>st</sup> Class, Patna.
- k) A complaint case bearing number 2268 of 2015 was filed by our Company against M/s. Bihar Cycle Show Room and Mahmood Alam (“**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406 and 420 of the Indian Penal Code. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 1.37 lakhs. Subsequently, upon repeated requests, the Accused delivered two cheques to our Company against the defaulted amount, which were allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon’ble Chief Judicial Magistrate, Patna to take cognizance against the Accused.
- l) A complaint case bearing number 1728 of 2023 was filed by our Company against M/s. Mamta Enterprises and Rajiv Kumar (“**Accused**”) before the Hon’ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders

raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 29.70 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.

- m) A complaint bearing number 1723 of 2023 was filed by our Company against M/s. NBP Auto and Bibhas Kumar Singh (the “**Accused**”) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409, 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with the desire to sell the products/items dealt by us, pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 7.56 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- n) A complaint bearing number 7983 of 2024 was filed by our Company against M/s Agarwal Tools and Mr. Ashish Kumar Agarwal (“**Accused**”) before the Hon'ble Chief Judicial Magistrate, Patna under section 406, 409, 420 of the Indian Penal Code, 1860 and section 138 of the Negotiable Instrument Act, 1881. Our Company pursuant to the complaint case alleged that the Accused approached our Company with desire to sell the products/items dealt by us, , pursuant to which our Company supplied the requested products to the Accused against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹ 2.23 lakhs. Subsequently, upon repeated requests, the Accused delivered an account payee cheque to our Company against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Company pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 188. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.

#### *Civil and other Material Litigations*

- a) A complaint bearing number 241 of 2014 was filed by our Company against Sony India Pvt. Ltd. (“**Opposite party no. 1**”), Project Equipment (“**Opposite party no. 2**”) and Onus Services (“**Opposite party no. 3**”) before the Hon'ble District Consumer Disputes Redressal Forum, Patna under section 11 and 12 of the Consumer Protection Act. Our Company pursuant to the complaint case alleged that although the laptop came with a one-year warranty, they paid an additional ₹2,490/- for a two-year extended warranty, making the total warranty period three years. When the laptop developed a hard disk issue during this period, the authorized service center denied repairs, citing that the laptop was out of warranty. Despite presenting receipts and multiple follow-ups, the complainant was asked to pay ₹50,865/- for repairs. The complainant sought a full refund with 18% interest, ₹50,000/- in compensation for harassment and inconvenience, and ₹10,000/- as litigation costs.

## **2. Litigation involving our Promoters**

### *Litigation by our Promoters*

#### *Criminal Litigations*

#### *BMW Fin-Invest Private Limited*

- a) A complaint bearing number 26604 of 2014 was filed by our Promoter against Alok Kumar (the “**Accused**”) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406 and 420 of the Indian Penal Code, 1860



and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused approached our Promoter with the desire to obtain financial assistance for purchase of tractor, pursuant to which our promoter extended the financial assistance to the Accused for purchase of tractor pursuant to a loan agreement entered between our Promoter and the accused. It was further alleged that Accused failed to make repayment of the loan amount. Subsequently, upon repeated requests, the Accused delivered an account payee cheque for 0.60 lakhs to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.

- b) A complaint bearing number 22616 of 2014 was filed by our Promoter against Munna Kumar (**"Accused 1"**) and Rajesh Kumar (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 420 and 120(B) of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 1 approached our Promoter with the desire to obtain financial assistance for purchase of tractor, pursuant to which our promoter extended the financial assistance to the Accused 1 for purchase of tractor pursuant to a loan agreement entered between our Promoter and the accused. It was further alleged that Accused 1 failed to make repayment of the loan amount and Accused 2 being the guarantor also failed to the same. Subsequently, upon repeated requests, the Accused delivered an account payee cheque for 1.22 lakhs to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused under Sections 406 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- c) A complaint bearing number 3528 of 2019 was filed by our Corporate Promoter against Manoj Kumar Bhaikhram (the **"Accused"**) before the Hon'ble Additional Chief Judicial Magistrate, Surat under Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused approached our Promoter with the desire to obtain financial assistance, pursuant to which our promoter extended the financial assistance to the Accused. It was further alleged that Accused failed to make repayment of the loan amount. Subsequently, upon repeated requests, the Accused delivered an account payee cheque for 1.20 lakhs to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Additional Chief Judicial Magistrate, Surat to take cognizance against the Accused under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Additional Chief Judicial Magistrate, Surat.

*Ridhisidhi Fincon Private Limited*

- a) A complaint bearing number 2611 of 2019 was filed by our Promoter against M/s Vishwakarma Agro Agency (**"Accused 1"**) and Anil Kumar Vishwakarma (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused 2 against valid orders raised by it. It was further alleged that the Accused 2 failed to make payment against the said orders and therefore defaulted on an amount of ₹12.21 lakhs. Subsequently, upon repeated requests, the Accused 2 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- b) A complaint bearing number 4349 of 2022 was filed by our Promoter against M/s S K Motors (**"Accused 1"**) and Sujit Kumar Singh (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the

Accused 2 against valid orders raised by it. It was further alleged that the Accused 2 failed to make payment against the said orders and therefore defaulted on an amount of ₹4.50 lakhs. Subsequently, upon repeated requests, the Accused 2 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.

- c) A complaint bearing number 4353 of 2022 was filed by our Promoter against M/s Vishwakarma Automobiles (**"Accused 1"**) and Lalbabu Sharma (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused 2 against valid orders raised by it. It was further alleged that the Accused 2 failed to make payment against the said orders and therefore defaulted on an amount of ₹1.74 lakhs. Subsequently, upon repeated requests, the Accused 2 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- d) A complaint bearing number 4454 of 2022 was filed by our Promoter against M/s Jagdamba Automobiles (**"Accused 1"**) and Jawahar Lal (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused 2 against valid orders raised by it. It was further alleged that the Accused 2 failed to make payment against the said orders and therefore defaulted on an amount of ₹3.03 lakhs. Subsequently, upon repeated requests, the Accused 2 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- e) A complaint bearing number 4457 of 2022 was filed by our Promoter against M/s Sai Enterprises (**"Accused 1"**) and Sushil Kumar (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused 2 against valid orders raised by it. It was further alleged that the Accused failed to make payment against the said orders and therefore defaulted on an amount of ₹2.61 lakhs. Subsequently, upon repeated requests, the Accused 2 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- f) A complaint bearing number 4591 of 2022 was filed by our Promoter against M/s Baishno Enterprises (**"Accused 1"**) and Munni Kumari (**"Accused 2"**) before the Hon'ble Chief Judicial Magistrate, Patna under Section 406, 409 and 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instruments Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused 1 against valid orders raised by it. It was further alleged that the Accused 2 & 3 failed to make payment against the said orders and therefore defaulted on an amount of ₹2.43 lakhs. Subsequently, upon repeated requests, the Accused 2 and 3 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured on account of insufficient funds. Our Promoter pursuant to the complaint has

prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under Sections 406, 409 and 420 of the Indian Penal Code, 1860 as well as under section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.

- g) A complaint bearing number 4582 of 2022 was filed by our Promoter against M/s Maa Bindhywasani Automobiles ("**Accused 1**"), Mrs. Pinki Kumari ("**Accused 2**") and Mr. Subham Kumar Singh ("**Accused 3**") before the Hon'ble Chief Judicial Magistrate, Patna under section 406, 409 and 420 of the Indian Penal Code, 1860 and section 138 of the Negotiable Instrument Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 & 3 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused persons against valid orders raised by it. It was further alleged that the Accused 2 & 3 failed to make payment against the said orders and therefore defaulted on an amount of ₹ 1.02 lakhs. Subsequently, upon repeated requests, the Accused 2 & 3 delivered an account payee cheque to our Promoter against the defaulted amount, which was allegedly dishonoured with a remark of no such account. Our Promoter pursuant to the complaint has prayed the Hon'ble Chief Judicial Magistrate, Patna to take cognizance against the Accused 1 and Accused 2 under section 406, 409 and 420 of the Indian Penal code, 1860 as well as under section 138 of the Negotiable Instrument Act, 1881. The matter is currently pending before the Hon'ble Chief Judicial Magistrate, Patna.
- h) A complaint bearing number 4351 of 2022 was filed by our Promoter against M/s Nawaz Traders ("**Accused 1**") and Mr. M.D Shahnawaz ("**Accused 2**") before Hon'ble Chief Judicial Magistrate, Patna under section 406, 409 and 420 of the Indian Penal Code, 1860 and section 138 of the Negotiable Instrument Act, 1881. Our Promoter pursuant to the complaint case alleged that the Accused 2 approached our Promoter with the desire to sell the products/items dealt by our Promoter, pursuant to which our Promoter supplied the requested products to the Accused persons against valid orders raised by it. It was further alleged that the Accused 2 & 3 failed to make payment against the said orders and therefore defaulted on an amount of ₹ 6.04 lakhs. Subsequently, a criminal revision bearing number 612 of 2022 was filed before the Sessions Judge, Patna for setting aside the order dated 13.09.2022 passed by the A.C.J.M.- 2, Patna, which had dismissed Complaint Case No. 4351(C)/2022 titled M/s Ridhi Sidhi Fincon Pvt. Ltd. vs. M/s Nawaz Traders & Others due to the complainant's repeated non-appearance. The complainant, Syed Jamal Nasir, attributed his absence to health issues and clerical mistakes by his advocate's clerk. The Court observed that the dismissal under Section 203 Cr.P.C. was not in accordance with proper procedure, as it was done for default rather than on the merits. In the interest of justice, the revision was allowed, and the matter was remanded to the lower court with directions to allow the complainant to record his statement and produce inquiry witnesses within one month from the receipt of the order.

#### *Civil and Other Material Litigation*

##### *Bijay Kumar Kishorepuria*

- a) A Money Suit bearing number 92 of 2020 was filed by Bijay Kumar Kishorepuria along with Raj Kumar Patwari against Raghuvansh Narayan Singh ("**Defendant 1**"), Chandra Shekar Prasad Singh ("**Defendant 2**"), Ashok Kumar Singh ("**Defendant 3**"), Suresh Narayan Singh ("**Defendant 4**") and Raj Kumar Prasad Singh ("**Defendant 5**") (*hereinafter collectively referred to as "Defendants"*) before the Hon'ble Court of Sub. Judge, Patna under Section 16 of the Code of Civil Procedure, 1908. Bijay Kumar Kishorepuria and Raj Kumar Patwari pursuant to the petition alleged that the defendants decided to sale a plot of land situated in Patna, Bihar for which Bijay Kumar Kishorepuria along with Raj Kumar Patwari ("**Plaintiffs**") showed interest in the purchase of the land. An earnest money deposit was paid by the plaintiffs to the defendants amounting to ₹49.50 lakhs and thereafter the defendants failed to performed their obligation to execute a sale deed in favor of plaintiffs. After numerous reminder and follow ups, defendant 5 returned ₹9.90 lakhs to each plaintiff. The defendants have failed to return 39.32 lakhs, which includes interest @ 12.00% p.a. for delay in payment. Our Promoter along with Raj Kumar Patwari pursuant to the suit has prayed the Hon'ble Court of Sub. Judge, Patna for releif and a money decree for the stated amount. The matter is currently pending before the Hon'ble Court of Sub. Judge, Patna.

##### *Nitin Kishorepuria*

- a) A petition bearing appeal number 316 of 2024 was filed before Hon'ble State Consumer Disputes Redressal Commission, Patna, for condonation of delay against the order passed in the complaint case bearing number 228

of 2024. The complaint case was filed by Nitin Kishorepuria (**“Complainant”**) against Aditya Birla Health Insurance Company (**“Respondent”**) before the District Consumer Disputes Redressal Commission, Patna under section 35 of the Consumer Protection Act, 2019. The Complainant pursuant to the complaint case alleged that after porting his existing health insurance policy from Apollo Munich to Aditya Birla was wrongly repudiated and despite disclosing all medical issues during the porting process and paying premiums on time, the insurer rejected the claim citing non-disclosure of pre-existing conditions. Subsequently, the complainant accused the insurer of deficiency in service, unfair trade practices, and mental and financial harassment, and seeks reimbursement of medical expenses along with compensation.

### ***Litigation against our Promoters***

#### ***Criminal Litigation***

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation filed against our Promoters.

#### ***Other Material Litigation***

As on the date of this Draft Red Herring Prospectus, there is no material civil litigation filed against our Promoters.

#### ***Actions taken by regulatory/statutory authorities***

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Promoters.

#### ***Disciplinary action taken (including outstanding action) against our Promoters in the five Financial Years preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange***

There has been no disciplinary action by SEBI or any stock exchange against our Promoters in the five years preceding this Draft Red Herring Prospectus except for an Administrative warning sent by SEBI to our Promoters viz, Nitin Kishorepuria and Sabita Devi Kishorepuria dated February 09, 2022 (the "Warning Letter"). This letter addresses a transaction that is alleged to be non-compliant with Section 2(i) and Sections 13, 16, and 18 of the Securities Contracts (Regulation) Act, 1956 (the "SCRA") and SEBI Notification dated March 1, 2000, concerning Superspace Infrastructure Limited (formerly Surabhi Chemicals and Investments Limited).

### **3. Litigation involving our Directors**

#### ***Litigation against our Directors***

##### ***Criminal Litigations***

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations pending against our Directors.

##### ***Actions taken by statutory or regulatory authorities***

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Directors.

##### ***Other Material Litigations***

As on the date of this Draft Red Herring Prospectus, there are no material litigations against our Directors.

#### ***Litigations by our Directors***

##### ***Criminal Litigations***

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Directors.



#### *Other Material Litigation*

Except as disclosed in “- *Litigation by our Promoters - Civil and Other Material Litigation*” on page [•] of this Draft Red Herring Prospectus, there are no material civil litigation filed by our Promoters.

#### **4. Litigation involving our Subsidiaries**

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

#### **5. Litigation involving our Key Managerial Personnel**

##### ***Litigation against our Key Managerial Personnel***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation against our Key Managerial Personnel.

##### *Actions taken by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Key Managerial Personnel.

##### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there is no material civil litigation against our Key Managerial Personnel.

##### ***Litigation by our Key Managerial Personnel***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Key Managerial Personnel.

##### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there is no material civil litigation filed by our Key Managerial Personnel.

#### **6. Litigation involving our Senior Managerial Personnel**

##### ***Litigation against our Senior Managerial Personnel***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation against our Senior Managerial Personnel.

##### *Actions taken by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Senior Managerial Personnel.

#### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there is no material civil litigation against our Senior Managerial Personnel.

#### ***Litigation by our Senior Managerial Personnel***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation by our Senior Managerial Personnel.

##### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there is no material civil litigation filed by our Senior Managerial Personnel.

### **7. Litigation involving our Group Companies**

#### ***Litigation against our Group Companies***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations pending against our Group Companies, which may have a material adverse impact on our Company.

##### *Actions taken by regulatory/statutory authorities*

As on the date of this Draft Red Herring Prospectus, there are no actions by statutory or regulatory authorities against our Group Companies, which may have a material adverse impact on our Company.

##### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there are no material litigations against our Group Companies, which may have a material adverse impact on our Company.

#### ***Litigations by our Group Companies***

##### *Criminal Litigations*

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations pending against our Group Companies, which may have a material adverse impact on our Company.

##### *Other Material Litigation*

As on the date of this Draft Red Herring Prospectus, there are no material litigations filed by our Group Companies, which may have a material adverse impact on our Company.

### **8. Tax proceedings against our Company, Promoters and Directors**

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Promoters and Directors:

Nature of case	Number of cases	Amount involved (in ₹ lakhs)*
<b><i>Company</i></b>		
Direct tax	03	0.05

Nature of case	Number of cases	Amount involved (in ₹ lakhs)*
Indirect tax	01	8.30
<b>Promoters</b>		
Direct tax	01	0.00
Indirect tax	02	39.45
<b>Directors</b>		
Direct tax	-	-
Indirect tax	-	-

\*To the extent quantifiable

However below mentioned detail of Tax Litigation which is settled either by order of respective department or through payment of challan, but still these cases are reflecting on portal due to technical glitch or not considering the order effect by the department.

Particulars	Number of cases	Amount Involved
<b>Promoters &amp; Directors</b>		
Direct Tax	06	32.28

## 9. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material (“**Material Creditors**”) if amount due by our Company to such creditor is equal to or in excess of 5.00% of the restated trade payables of our Company as at the end of the latest period included in the Restated Financial Statements, would be considered as Material Creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹132.23 lakhs.

As of March 31, 2025, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

Sr. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in lakhs)
1)	Dues to micro, small and medium enterprises	Nil	Nil
2)	Dues to Material Creditors	1	2,520.16
3)	Dues to other creditors	6	124.62
<b>Total</b>		<b>7</b>	<b>2,644.78</b>

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at [www.bmwventures.com](http://www.bmwventures.com). 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, [www.bmwventures.com](http://www.bmwventures.com) would be doing so at their own risk.

## 10. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 330, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Our Company is in receipt of the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as on the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

*We have also disclosed below (i) the Material Approvals for which fresh applications/renewal applications have been made; and (ii) the Material Approvals for which fresh applications/renewal applications are yet to be made. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors- 29. Regulatory approvals and licenses - We are subject to various laws and government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected” on page 36.*

*For details in connection with the regulatory and legal framework within which our Company operates, see the section titled “Key Regulations and Policies in India” on page 227. For Issue related approvals, see the section titled “Other Regulatory and Statutory Disclosures- Authority for the Issue” on page 374 and for incorporation details of our Company, see the sections titled “History and Certain Corporate Matters- Brief history of our Company” on page 235. Further, for approvals related to the objects of the Issue, see “Objects of the Issue” on page 129.*

*Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.*

### **Approvals in relation to our Company**

#### **I. Incorporation details of our Company**

1. Certificate of incorporation dated October 07, 1994 issued by the Registrar of Companies, Bihar to our Company.
2. Certificate of Commencement of Business dated October 19, 1994 issued by the Registrar of Companies, Bihar to our Company.
3. Our Company has been allotted the Corporate Identity Number U25111BR1994PLC006131.

#### **II. Approvals in relation to the Issue**

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on March 25, 2025, authorized the Issue subject to the approval by the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 such other authorities as may be necessary.
2. The shareholders of our Company have authorized the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on March 27, 2025.

*For further details, please see “Other Regulatory and Statutory Disclosure-authority for the issue” on page 374 of this Draft Red Herring Prospectus.*

### III. Material approvals in relation to operations of our Company

#### A. Material approvals in relation to the Business operations

The material approvals in relation to our Stockyard/Factory are set forth below:

**Location** : Mauza Rajiganj, Pragna Haveli, Thana Sadar no-67,near Matia Chowk, Opp. Tata Motors Ranipatra, Purnea, Bihar- 854337

Description	Authority	Registration Number/Reference Number	Date of Issue	Date of Expiry
Factory License	Issued by the Government of Bihar under Rules 4 to 10 of the Bihar Factories Rules, 1950 and Section 6(l) (d) of the Factories Act, 1948	PH/FCTYGRANT /2022/00016	January 27, 2022	December 31, 2031
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	V5200105156005 Trader No-5200105156	May 22, 2024	April Quarter/2025
Pollution Control Board	Bihar State Pollution Control Board issued a consent to operate for the Structural Manufacturing of shed and Building.	7521810	May 19, 2023	March 31, 2028
Research Design and Standards Organization	Issued by Research Design and Standards Organization (RDSO) under the Ministry of Railways of India.*	RDSO/108/1901/000 30197	February 15, 2023	February 14, 2028

*\*for fabrication of Steel Bridge Girders*

**Location** : Old stockyard, N.H. 30, P.O. Baikatpur, p.s. Khusrupur, Fatuha, Patna-803202

Description	Authority	Registration Number/Reference Number	Date of Issue	Date of Expiry
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	5147003026	July 25, 2024	July Quarter 2025
Pollution Control Board	Bihar State Pollution Control Board	9163776	May 15, 2024	Valid for a period of five years from the date of issue.
Ground Water Withdrawal	Department of Water Resources	21-4/2269/BR/IND/2024	May 08, 2024	Till adherence to provision under which this exemption has been obtained or till any further orders issued by this authority whichever is earlier

**Location : New Stockyard, 200 Mtr., ahead of B P Petrol Pump, N.H.30, Govindpur P.O, Baikatpur, P.S. Khusrupur, Patna-803202**

Description	Authority	Registration Number/Reference Number	Date of Issue	Date of Expiry
Factory Licence	Issued by the Government of Bihar under Rules 4 to 10 of the Bihar Factories Rules, 1950 and Section 6(l) (d) of the Factories Act, 1948	FCTY Grant/2019/00133	September 07, 2019	December 31, 2028
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	5200063856	January 18, 2025	January Quarter 2026
Pollution Control Board	Bihar State Pollution Control Board	9163854	May 15, 2024	Valid for a period of five years from the date of issue.
Ground Water Withdrawal	Department of Water Resources	21-4/2266/BR/IND/2024	May 07, 2024	Till adherence to provision under which this exemption has been obtained or till any further orders issued by this authority whichever is earlier

**Location : 8/1C Patliputra Industrial Area, Bihar, Patna**

Description	Authority	Registration Number	Date of Issue	Date of Expiry
Factory Licence	Issued by the Government of Bihar under Rules 4 to 10 of the Bihar Factories Rules, 1950 and Section 6(l) (d) of the Factories Act, 1948	00201/BR/PTN SRN-FCTYREN/2019/00163	December 13, 2019	December 31, 2028
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	5150002688	August 03, 2024	July Quarter 2025
Pollution Control Board	Bihar State Pollution Control Board	9161479	April 27, 2024	Valid for a period of five years from the date of issue.
Fire Safety	Bihar Fire Service Authority	6798	December 30, 2024	September 29, 2025
Ground Water Withdrawal	Department of Water Resources	21-4/2299/BR/IND/2024	May 22, 2024	Till adherence to provision under which this exemption has been obtained or till any further orders issued by this authority whichever is earlier

**Location : 9C Patliputra Industrial area, Patna-800013**

Description	Authority	Registration Number	Date of Issue	Date of Expiry
Factory Licence	Issued by the Government of Bihar under Rules 4 to 10 of the Bihar Factories Rules, 1950 and Section 6(l) (d) of the Factories Act, 1948	P.T.FCTY Grant/2018/00222	September 28, 2018	December 31, 2027
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	V52000390703 Trader No.: 5200039070	June 30, 2024	April Quarter 2025
Fire Safety	Office, Sub-Divisional Fire Officer – Patna	108	February 03, 2025	September 29, 2025

**Location : Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002**

Description	Authority	Registration Number	Date of Issue	Date of Expiry
Legal Metrology	Legal Metrology Act 2009 and Bihar Legal Metrology (Enforcement) Rules 2014.	200245935	November 13, 2024	October Quarter 2025
Fire Safety	Office, Sub-Divisional Fire Officer – Patna	350	February 10, 2025	September 25, 2025

#### B. Tax Related Approvals

1. Our Permanent Account Number (PAN) is AABCB1294R
2. Our Tax Deduction Account Number (TAN) is PTNB05301C
3. Details of GST registration obtained by our Company:

Sr. No.	GST Number	State
1)	10AABCB1294R1ZM	Bihar
2)	10AABCB1294R2ZL <sup>(1)</sup>	Bihar
3)	19AABCB1294R1Z4 <sup>(2)</sup>	West Bengal

<sup>(1)</sup> BMW Polytube (Unit of BMW Ventures Limited)

<sup>(2)</sup> The property is currently rented out, and no business activities are being conducted by our company at this location.

#### C. Labour and Employee Related Approvals

Sr. No.	Description	Registration/ Approval/ Certificate Number
1)	Employees' State Insurance Act, 1948	42000114470010506
2)	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	BRPAT0007516000
3)	Bihar Tax on Professions, Trades, Callings and Employments Act, 2011	10CALB03447D

#### D. Intellectual Property Registration:

Nil

#### IV. Material approvals applied for and pending in relation to the business operations of our company:

Sr. No.	Description	Location	Application Number	Application Date
1.	Fire Safety	Office, Sub-Divisional Fire Officer – Purnia	457/55	August 03, 2024



Sr. No.	Description	Location	Application Number	Application Date
2.	Fire Safety	Old stockyard, N.H. 30, P.O. Baikatpur, p.s. Khusrupur, Fatuha, Patna-803202	756	September 28, 2024
3.	Fire Safety	New Stockyard, 200 Mtr., ahead of B P Petrol Pump, N.H.30, Govindpur P.O, Baikatpur, P.S. Khusrupur, Patna-803202	510	June 25, 2024
4.	Pollution Control Board	9C Patliputra Industrial area, Patna-800013	10635970	March 31, 2025
5.	Pollution Control Board	Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002	10512430	February 06, 2025
6.	Factory Licence	Mosimpur Stockyard, Khusrupur, Old NH 30, Patna-800002	[•]*	[•]*

\*The application will be submitted upon receipt of the certificate from the Pollution Control Board. Further, application to the pollution control board has been made on February 06, 2025

**Material approvals in relation to the business operations of our company which are expired and for which no application has been made:**

There are no material approvals in relation to the business operation of our company which are expired and for which no application has been made.

**Other Registration and Certificates of the company:**

1. Certificate under Bihar Shops and Establishments Acts, 1953 dated March 10, 1995 for premises at 1<sup>st</sup> Floor, Mona Cinema Complex, East Gandhi Maidan, Patna, Bihar bearing Registration Number; P.T.39708.
2. Import Export Code issued by the Department of commerce, Ministry of Commerce & Industry Government of India, IEC is 2195000295.
3. LEI code 3358002KI7N6Q5MB5K68 allotted to our Company by Legal Entity Identifier India Limited valid till February 14, 2026.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on March 25, 2025. Further, our Shareholders have approved the Issue pursuant to a special resolution passed on March 27, 2025 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or any other regulatory authorities

We confirm that our Company, our Promoters, members of Promoter Group, our Directors have not been prohibited from accessing the capital market for any reason or debarred from buying, selling or dealing in securities, under any order or directions by the SEBI or any other securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Red Herring Prospectus.

None of the companies with which our Promoter and Directors are associated with as promoter, Directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. Our Company, Promoter/ Promoter Group or Directors have not been declared as Willful Defaulters or Fraudulent Borrowers, by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our Company, our Promoter or Directors are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors are associated with the securities market and there is no outstanding action against them initiated by the SEBI in the past five years preceding the date of this Draft Red Herring Prospectus against the Directors or any other entity with which our directors are associated as promoter or director. Further, none of our Promoter or Directors have been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of the Promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent in force and applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 6(1) of the SEBI ICDR Regulations, as set out under the eligibility criteria and as derived from the Restated Financial Information and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹300 lakhs, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% of the net tangible assets are held as monetary assets, kindly refer section titled “Financial Information” beginning on Page. 271.
- Our Company has an average operating profit of at least ₹1,500 lakhs, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years.
- Our Company has a net worth of at least ₹100 lakhs in each of the preceding three full years (of 12 months each), calculated on a restated basis.

- There has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth, have been derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the three immediately preceding Financial Years are disclosed below.

Derived from the Restated Financial Information

(₹ in lakhs)

Particulars	December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Restated Net tangible Assets <sup>(1)</sup>	20,822.39	18,634.47	15,600.79	12,379.73
Operation Profits <sup>(2)</sup>	3,095.18	4,036.70	4,323.94	4,299.40
Net worth <sup>(3)</sup>	20,850.81	18,670.14	15,647.70	12,431.62
Monetary assets <sup>(4)</sup>	326.66	440.60	27.94	680.65
Monetary assets, as a % of net tangible assets <sup>(4) / (1)</sup>	1.57%	2.36%	0.18%	5.50%

<sup>(1)</sup> **“Net Tangible Assets”** means the sum of all net assets (arrived at by deducting non-current liabilities, current liabilities from total assets) of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.

<sup>(2)</sup> **“Operating profit”** is defined as profit before finance costs, other income and tax expense.

<sup>(3)</sup> **“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 on a restated basis.

<sup>(4)</sup> **“Monetary assets”** represent the sum of cash and cash equivalents, other bank balances.

Our Company has operating profits in each of Financial Year 2024, 2023 and 2022 in terms of our Restated Financial Information as indicated in the table above.

We are eligible to undertake the Issue as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in accordance with Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate not more than 50% of the Issue to QIBs. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional of which one-third of the Non-Institutional Category shall 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 Category shall 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 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 Issue Price. Further not less than 35% of the Issue shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000 failing which, the entire application money will be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Further, 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 has ensured compliance and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Our Company is in compliance with the condition specified in Regulation 5 and 7 (1) of the SEBI ICDR Regulations, as follows:

- a) Our Company, our Promoters, members of our Promoter Group, or our Directors are not debarred from accessing the capital markets by SEBI;
- b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
- c) None of our Company, our Promoters and our Directors have been categorized as a wilful defaulter or a fraudulent borrower.
- d) None of our Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
- e) As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares.
- f) Our Company, along with the Registrar to the Issue, has entered into tripartite agreements dated February 21, 2019 and March 10, 2017 with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”), respectively, for dematerialization of the Equity Shares;
- g) The Equity Shares of our Company held by our Promoters are in dematerialized form;
- h) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and
- i) None of our Company, our Promoters or Directors have been declared as ‘fraudulent borrowers’ by the leading banks or financial institution or consortium, in terms of the RBI master circular dated July 1, 2016.
- j) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue and existing identifiable accruals;
- k) Our Company shall not make an Allotment if the number of prospective Allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations and other applicable law. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulations 5 and 7(1), to the extent applicable, of the SEBI ICDR Regulations and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

#### **DISCLAIMER CLAUSE OF SEBI**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED APRIL 30, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.”.**

#### **Disclaimer from our Company our Directors and the Book Running Lead Manager**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in the Draft Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information including our Company's website [www.bmwventures.com](http://www.bmwventures.com), or the respective websites of the members of the Promoter Group and affiliates, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement, to be executed between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centers or elsewhere.

Neither the delivery of this Draft Red Herring Prospectus, nor any issue or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Bidders will be required to confirm, and will be deemed to have represented to our Company, 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 offer, sell, pledge or transfer the Equity Shares acquired in the Issue to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and 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 Equity Shares.

The BRLM and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter and their respective directors and officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

### Disclaimer of Industry Report

“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). Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. 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. BMW Ventures 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 its regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced/extracted in any form without CRISIL’s prior written approval.”

For the sake of clarity, this consent letter does not provide the right to the Company to refer to us as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013, in any of the Issue Documents.

You hereby agree and undertake not to misrepresent, make any changes to or tamper with the Report, or present any part thereof, out of context or in violation of applicable laws and regulations. Further, you acknowledge and agree that CRISIL does not have any liability or responsibility for the Issue Documents or any part thereof.

We consent to the technical proposal covering the scope dated February 07, 2025 the Report and the Material being disclosed (a) in the “Material Contracts and Documents for Inspection” section of the Issue Documents, and (b) being kept open for inspection by members of the public as a material document in connection with the Issue from the date of the Red Herring Prospectus till the date of closing of the Issue. We further give our consent to upload the Report on the Company’s website and being made available to the public on such website until the listing of Offer, pursuant to the Issue, and such web link to the Report being disclosed in the Issue Documents.

We confirm that information contained in the Material have been obtained or derived from publicly available sources and interaction with industry participants, which we consider as reliable and after exercise of reasonable care and diligence by us. We confirm that we have, where required, obtained requisite consent or duly acknowledged the source(s), that may be required from any governmental authority or any other person in relation to any information used by us in the Material.

Subsequent to the listing of the Issue, if you wish to use our name/details in relation to the Material and/or wish to use the Material, in full or part, in relation to the Issue or in any corporate presentation, press release or advertisement, you may do so after providing us with a prior written notice of 7 (seven) days.

We confirm that we are an independent agency and are not, in any manner, related to the Company, its directors, its key managerial personnel, or the book running lead managers appointed in relation to the Issue (“**Book Running Lead Manager**”). Neither the Company, nor its directors, its key managerial personnel, or the Book Running Lead Managers, are related parties to us as per applicable law as on the date of this letter. We also confirm that, we are not and have not been engaged or interested in the incorporation, promotion or management of the Company.

### Disclaimer in Respect of Jurisdiction

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra only.



## **Eligibility and Transfer Restrictions**

This Issue is being made in India to person resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian national resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that are eligible under all applicable laws and regulations to purchase the Equity Shares.

The delivery of this Draft Red Herring Prospectus, shall not, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 the Draft Red Herring Prospectus was filed with SEBI for its observations. Accordingly, the Equity Shares offered in the issue may not be offered or sold in any jurisdiction outside India, except in accordance with the legal requirements applicable in such jurisdiction.

Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

The Equity Shares offered in the issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold in any jurisdiction outside India except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in the issue have not been and will not be registered under the U.S. Securities Act of 1933, amended (U.S. Securities Act) or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares offered in the issue are being offered and sold only outside the United States in 'offshore transactions' as defined in and in reliance on Regulation S under the U.S. Securities Act.

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.

Each purchaser of the Equity Shares in the Issue who does not receive a copy of the preliminary offering memorandum for the Issue shall be deemed to:

- Represent and warrant to our Company and members of the Syndicate that it is in India.
- Represent and warrant to our Company and members of the Syndicate that its Bid did not exceed investment limits or the maximum number of Equity Shares that can be held by it under applicable law.
- Acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.



- Represent and warrant to our Company and the members of the Syndicate that it was outside the United States (as defined in Regulation S) at the time the Issue of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- Represent and warrant to our Company and the members of the Syndicate that it did not purchase the Equity Shares offered in the Issue as result of any “directed selling efforts” (as defined in Regulation S).
- Represent and warrant to our Company and the members of the Syndicate that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares purchased in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer any such Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration requirements under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Agree to indemnify and hold our Company and the members of the Syndicate harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- Represent and warrant to our Company and the members of the Syndicate that if it acquired any of the Equity Shares offered in the Issue as fiduciary or agent for one or more investor account(s), it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- Represent and warrant to our Company and the members of the Syndicate that if it acquired any of the Equity Shares offered in the Issue for one or more managed account(s), that it was authorized in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- Acknowledge that our Company, the members of the Syndicate and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.
- References above to ‘it’ in the case of individuals means “he” or ‘she”, as the case may be.

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by 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 the ROC filing.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by 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 the ROC filing.

#### **Listing**

The Equity Shares of our Company are proposed to be listed on BSE and NSE. Applications have been made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares. [•] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring

Prospectus. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Bid/ Issue Closing Date. If our Company does not Allot Equity Shares pursuant to the Issue within six Working Days from the Bid/ Issue Closing Date or within such timeline as prescribed by 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.

All Issue related expenses will be borne by our Company.

### **Consents**

Consents in writing of our Promoters, Promoter Group, our Directors, our Company Secretary and Compliance Officer, Legal Advisor to the Issue, the Book Running Lead Manager, Statutory & Peer Review Auditor, the Registrar to the Issue, Banker to the Company, Independent Chartered Engineer to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013. All such consents have not been withdrawn until the date of this Draft Red Herring Prospectus.

### **Experts to the Issue**

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

Our Company has received written consents from the following persons to include their names in this Draft Red Herring Prospectus as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus:

- (a) Consent dated March 28, 2025 from our Statutory and the Peer Review Auditor namely, A D V & Associates, Chartered Accountants, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated February 20, 2025 and the Statement of Possible Special Tax Benefits dated April 01, 2025 included in this Draft Red Herring Prospectus.
- (b) Consent dated April 30, 2024 from Bhartia & Associates, Independent Chartered Engineers in respect of their certificate dated March 17, 2025 on our Company’s installed capacity and capacity utilisation at our Stockyards, Manufacturing & fabrication Units included in this Draft Red Herring Prospectus.

### **Capital issue during the previous three years by our Company**

Except as disclosed in “Capital Structure-Notes to the capital structure” on page 105 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the previous three years.

### **Particulars regarding public or rights issues during the last five (5) years**

Except as stated in the chapter titled “Capital Structure” beginning on page 105 of this Draft Red Herring Prospectus, we have not made any previous rights issue during the five (5) years preceding the date of the Draft Red Herring Prospectus. Our Company has not made any public issues during the last five years.

### **Commission and brokerage on previous issues**

Since this is an Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last five (5) years.

## Capital issue during the previous three years by listed Group-Companies/ subsidiaries/ associates of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiary or associate Companies. There has not been any capital issue by our listed Group Company during the last three years.

## Performance vis-a-vis objects-Public/ rights issue of our Company

Except as stated under chapter titled "Capital Structure" beginning on page 105 of the Draft Red Herring Prospectus, our Company has not undertaken any previous rights issue. Further, this Issue is an "Initial Public Offer" in terms of SEBI ICDR Regulations and our Company has not undertaken any previous public issue.

## Performance vis-a-vis Objects-Last One Public Issue/ Rights Issue of Subsidiaries/ Listed Promoter

Except as disclosed under chapter titled "Capital Structure" beginning on page 105 of the Draft Red Herring Prospectus, our Company has not undertaken any rights issue in the five years preceding the date of this Draft Red Herring Prospectus. Our Company has not made any public issues in the five years preceding the date of this Draft Red Herring Prospectus.

## Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## Disclosure of Price Information of latest Issues handled by Sarthi Capital Advisors Private Limited in the past 3 years

**Table 1**

Financial year	Total no. of IPOs	Total funds raised (Rs. in Crores)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	1	-	-	-	-	1	-
13-14	4	34.39	-	-	2	1	-	1	-	-	2	-	1	1
14-15	4	13.65	-	-	2	-	-	2	-	1	-	1	-	2
15-16	7	47.48	-	-	4	1	-	2	-	-	2	2	-	3
16-17	6	37.94	-	1	1	2	-	2	-	2	2	1	1	-
17-18	17	279.36	-	1	8	2	1	3	-	2	6	2	2	3
18-19	3	67.32	-	-	2	-	-	1	-	1	-	-	-	1
20-21	1	10.52	-	-	1	-	-	-	-	-	-	-	-	1
21-22	1	4.40	-	-	-	1	-	-	-	-	-	1	-	-
22-23	2	89.03	-	-	-	1	1	-	-	-	1	-	-	-
23-24	3	190.28	-	-	2	-	-	1	-	-	-	2	-	-
2024-25	1	199.45	1	-	-	-	-	-	-	-	-	-	-	-

**Table 2**

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % 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.	P. E. Analytics Limited	31.60	114.00	April 04, 2022	170.00	-2.07 [-0.80]	-13.62[-7.64]	-6.53 [15.42]
2.	Frog Cellsat Limited	41.57	102.00	October 13, 2022	177.00	19.11 [7.73]	24.14 [5.18]	-1.99/4.16

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % 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
3.	Homesfy Realty Limited	15.86	197.00	January 02, 2023	275.05	78.28 [-3.19]	45.15 [-4.39]	49.71 [6.18]
4.	Spectrum Talent Management Limited	105.14	173.00	June 22, 2023	155.00	-2.92 [4.80]	-9.03 [26.08]	-23.09 [43.56]
5.	Digikore Studios Limited	30.48	171.00	October 04, 2023	270.00	-3.92 [11.10]	16.05 [18.31]	101.06 [23.91]
6.	Vinyas Innovaive Technologies Limited	54.66	165.00	October 06, 2023	330.00	22.91 [8.27]	98.11 [18.65]	87.59 [24.18]
7.	Stallion India Flourochemicals Limited	199.45	90.00	January 23, 2025	120.00	-41.94 [-1.76]	-42.66 [4.84]	-*

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

\*Has not reached the milestone

#### Note

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30th/90th/180thday if there is no trade then the closing price of the next day when trading has taken place has been considered.

#### Mechanism for Redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) 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. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 Working Day to the finalization of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable laws, 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 3 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% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD- 1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application,

blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/ partially allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, 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.

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, 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 BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove. For helpline details of the BRLM pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "General Information" on page 97.

#### **Disposal of Investor Grievances by our Company**

Our Company has obtained authentication on the SCORES and will comply with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES

Our Company has not received any investor grievances in the last 3 Fiscals prior to the filing of this Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working 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.

Our Company has appointed Ms. Ruchika Maheshwari Kejriwal as the Company Secretary & Compliance Officer and she may be contacted in case of any pre-issue or post-issue related issues at the following address:

**Ms. Ruchika Maheshwari Kejriwal**  
c/o **BMW Ventures Limited**  
1<sup>st</sup> Floor, Mona Cinema Complex,  
East Gandhi Maidan, Patna- 800004

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. For further information, see 'General Information - Company Secretary and Compliance Officer' on page 97.

Our Company has constituted a Stakeholders' Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled "Our Management" beginning on page 241 of this Red Herring Prospectus.

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

Our Company has not sought for any exemptions from complying with any provisions of securities laws from the SEBI.

#### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013.

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## SECTION VII: ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of the issued. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities, issued from time to time, by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

#### The Issue

The Issue comprises a Issue of Equity Shares by our Company.

#### Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares transferred in the Issue shall be pari passu with the existing Equity Shares in all respects including dividends. For further details, see “Description of Equity Shares and Terms of Articles of Association” beginning on page 417.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association, dividend distribution policy of our Company, and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see “Dividend Policy” and “Description of Equity Shares and Terms of Articles of Association” beginning on pages 270 and 417, respectively.

#### Face Value, Issue Price and Price Band

The face value of each Equity Share is ₹10 and the Issue Price at the lower end of the Price Band is ₹[•] per Equity Share and at the higher end of the Price Band is ₹[•] per Equity Share. The Anchor Investor Issue Price is ₹[•] per Equity Share.

The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and published and advertised in all editions of [•], an English national daily newspaper and all editions of [•], a Hindi national daily newspaper, Hindi being the regional language of Patna, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, after the Bid/Issue Closing Date.

At any given point of time, there shall be only one denomination for the 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 the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity 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, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Description of Equity Shares and Terms of Articles of Association” beginning on page 417.

## **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated February 21, 2019 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated March 10, 2017 amongst our Company, CDSL and Registrar to the Issue.

## **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details, see “*Issue Procedure*” beginning on page 395.

## **Joint Holders**

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## **Nomination facility to Investors**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, 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. 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 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 the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

#### **Bid/ Issue Programme**

<b>BID/ISSUE OPENS ON</b> <sup>(1)</sup>	[●]
<b>BID/ISSUE CLOSES ON</b> <sup>(2) (3)</sup>	[●]

<sup>(1)</sup> Our Company may, in consultation with the BRLM consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

<sup>(2)</sup> Our Company, may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

<sup>(3)</sup> UPI mandate end time and date shall be at 5.00 pm on Bid/Issue Closing Date, i.e. [●].

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
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 Account*	On or about [●]
Credit of Equity Shares to dematerialized accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the 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 of ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post issue BRLM 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 no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no.

*SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, as partially modified by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable, issued by SEBI, and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

**The above timetable, other than the Bid / Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Issue Closing Date or such other time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Issue Period by our Company, in consultation with the BRLM, revision of the Price Band by our Company in consultation with the BRLM, 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 Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Issue on a daily basis in accordance with the SEBI RTA Master Circular.**

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such period as may be 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):**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
<b>Bid/ Issue Closing Date*</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

*\*UPI mandate end time and date shall be at 5.00 pm on Bid/Issue Closing Date, i.e. [●].*

**On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and NIBs, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Issue Period. Bidders 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. None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period till 5:00 pm on the Bid/ Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Our Company, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/ Issue Period in accordance with the SEBI ICDR Regulations. 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. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

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

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Issue on the Bid/ Issue Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/ Issue Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with applicable laws including the SEBI master circular bearing no. SEBI/HO/CFD/ PoD-2/P /CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days after our Company and our Directors who are officer in default, shall pay interest at the rate of 15% per annum.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Issue size, 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 90% of the Issue portion is subscribed;
- (ii) once Equity Shares have been Allotted as per (i) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Issue portion;

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM 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.

#### **Arrangements for disposal of odd lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialized form only and market lot for our Equity Shares will be one Equity Share.

#### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

#### **Withdrawal of the Issue**

The Issue 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 Book Running Lead Manager, reserve the right not to proceed with the Issue, after the Bid/ Issue Opening Date but before Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Manager, through the Registrar to the Issue, 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 Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. If our Company, in consultation with the Book Running Lead Manager withdraws the Issue after the Bid/ Issue Closing Date and thereafter determine that our Company will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Issue is also subject to (i) the filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

#### **Restrictions, if any on transfer and transmission of Equity Shares**

Except for the lock-in of the pre-issue Equity Share capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 105, and except as provided in our Articles of Association as detailed in "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 417 there are no restrictions on transfer and transmission of the Equity Shares, and on their consolidation or splitting.

## ISSUE STRUCTURE

Initial Public Offer of up to 2,34,00,000 Equity Shares, face value of ₹10 each for cash at a price of ₹[•] per Equity Share (including a premium of ₹[•] per Equity Share) aggregating to ₹[•] lakhs. The Issue shall constitute 26.98% of the post-issue paid-up Equity Share capital of our Company. The face value of the Equity Shares is ₹10 each. The Issue is being made through the Book Building Process.

Particulars of the Issue	Qualified Institutional Buyers <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation/allotment <sup>*(2)</sup>	Not more than [•] Equity Shares, face value of ₹10 each,	Not less than [•] Equity Shares, face value of ₹10 each.	Not less than [•] Equity Shares, face value of ₹10 each.
Percentage of Issue Size available for allocation/allotment	Not more than 50% of the Issue being available for allocation to QIB Bidders. However, up to 5% of the Net 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 QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Issue or the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with a Bid size more than ₹2,00,000 to ₹10,00,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹10,00,000	Not less than 35% of the Net Issue shall be available for allocation
Basis of Allotment/Allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) [•] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [•] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [•] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Allotment to each of the Non-Institutional Bidder shall not be less than the Minimum NIB 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 the SEBI ICDR Regulations 2018.	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Issue Procedure" on page 395.
Mode of Bid <sup>^</sup>	Only through the ASBA process (except for Anchor Investors) (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹5,00,000)	Only through the ASBA process (including the UPI Mechanism).
Minimum Bid	Such number of Equity Shares in multiples of [•]	Such number of Equity Shares in multiples of [•]	[•] Equity Shares



Particulars of the Issue	Qualified Institutional Buyers <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	Equity Shares such that the Bid Amount exceeds ₹2,00,000.	Equity Shares such that the Bid Amount exceeds ₹2,00,000	
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the Anchor Portion), subject to limits as applicable to each Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the QIB Portion), subject to limits applicable to Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares such that the bid amount does not exceed ₹2,00,000.
Mode of Allotment	Compulsorily in dematerialized form.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Shares thereafter in multiples of one Equity Share. For Non- Institutional Bidder allotment shall not be less than the Minimum NIB Application Size.		
Trading Lot	One Equity Share		
Who can apply <sup>(3) (4) (5)</sup>	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 2,500 lakhs, pension fund with minimum corpus of ₹ 2,500 lakhs, 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, family offices and trusts for Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 in value.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹2,00,000 in value.
Terms of Payment	<p>In case of Anchor Investors: Full Bid amount shall be payable by the Anchor Investors at the time of submission of their Bids.<sup>(4)</sup></p> <p>In case of all other Bidders: Full Bid amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form,</p>		

*\*Assuming full subscription in the Issue.*

*^ 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, Non-Institutional Bidder and RIBs 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.*



- (1) *Our Company, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue 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 ₹1000 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 lakhs but up to ₹ 25,000 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹500 lakhs per Anchor Investor, and (iii) in case of allocation above ₹25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 25,000 lakhs, and an additional 10 Anchor Investors for every additional ₹ 25,000 lakhs or part thereof will be permitted, subject to minimum allotment of ₹500 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹1,000 lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.*
- (2) *Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Issue is being made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to all QIBs. Further, (a) not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders (out of which (i) one third shall be reserved for applicants with application size of more than ₹2 lakhs and up to ₹10 lakhs, and (ii) two-thirds shall be reserved for applicants with application size of more than ₹10 lakhs 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 (b) not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM 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.*
- (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 Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Anchor Investors are not permitted to use the ASBA process.*
- (5) *Bids by FPIs with certain structures as described under “Issue Procedure – Bids by FPIs” on page 395 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. For further details, please see the chapter titled “Terms of the Issue” beginning on page 386 of this Draft Red Herring Prospectus

## ISSUE PROCEDURE

*All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, 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 Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had 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 UPI Bidders 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 had extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, SEBI vide the SEBI RTA Master Circular, consolidated and rescinded the aforementioned circulars to the extent relevant for RTAs. 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 whose application sizes are up to ₹500,000 shall use the UPI Mechanism. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.*

*The BRLM shall be the nodal entity for any issues arising out of public issuance process. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.*

*Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the issue.*

### **Book Building Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, shall 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 Issue Price. Further, 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. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to NIBs 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 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. Further, not less than 35% of the Issue shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over proportionately from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the CBDT dated February 13, 2020 read with press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchanges.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to 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 RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 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 had 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 had 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 has been 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:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days.

Pursuant to the UPI 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 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 on a daily basis to the SCSBs, 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 finalized. Failure to unblock the accounts within the timeline and submit confirmation of the same to the BRLM and the Registrar to the Issue would result in the SCSBs being penalized 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 Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase III of the UPI Circulars.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. Our Company has appointed certain of the SCSBs as the 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 Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

### **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 the Bidding Centers, and our Registered Office. Electronic copies of the Bid cum Application Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorization to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected.

Since the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) UPI Bidders using the UPI Mechanism may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) QIBs and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI 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 Centers 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. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders using the UPI Mechanism). 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.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, NIBs, RIBs and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

\* *Excluding electronic Bid cum Application Forms*

**Notes:**

- (1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))
- (2) Bid cum Application Forms for Anchor Investors shall be available at the office of the BRLM.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders using 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 UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using 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 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 the UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) 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 issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank 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/Issue 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. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Issue 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 Issue Bidding process.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transaction exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales 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.**

#### **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 Issue, subject to applicable laws.

- b. On the Bid/Issue 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/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

**Participation by the Promoter, Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Member and the persons related to Promoter, Promoter Group, BRLM and the Syndicate Member**

The BRLM and the Syndicate Member 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 BRLM and the Syndicate Member may purchase Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds sponsored by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, no BRLM or their respective associates can apply in the Issue under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the Lead Manager” if: (i) 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 (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM. Further, our Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue, except in accordance with the applicable law. Furthermore, persons related to our Promoter and the Promoter Group shall not apply in the Issue under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders’ agreement or voting agreement entered into with any of our Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to our Promoter or Promoter Group of our Company.

**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 BRLM reserve the right to reject any Bid without assigning any reason thereof.

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 the 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 exchange traded fund 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 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 authorize their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of 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 authorize their respective SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of 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. NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. In accordance with 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 share 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 share 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 or such other limit as may be stipulated by RBI in each case, from time to time. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian Company in a general meeting. Our Company has, pursuant to a Board resolution dated December 14, 2023 and Shareholders’ resolution dated December 14, 2023, increased the limit of investment of NRIs and OCIs from 10% to up to 24% of the paid-up equity share capital of our Company, provided however that the shareholding of each NRI in our Company shall not exceed 5% of the Equity Share capital or such other limit as may be stipulated by RBI in each case, from time to time.

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).

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 415. Participation of Eligible NRIs shall be subject to the FEMA Non-Debt Instruments Rules.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *Karta*. The Bidder 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: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids by HUFs will be considered at par with Bids from individuals.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the office of the Book Running Lead Manager.
- 2) 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.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.

- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and will be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager will finalize 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 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.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. 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 Book Running Lead Managers before the Bid/ Issue Opening Date, through intimation to the Stock Exchanges.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors will be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the Book Running Lead Manager or any associate of the Book Running Lead Manager (other than Mutual Funds sponsored by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM) shall apply in the Issue under the Anchor Investors Portion. For details, see “*Issue Procedure*” on page 395. Further, no person related to the Promoters or Promoter Group shall apply under the Anchor Investors category.
- 11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

#### **Bids by FPIs**

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, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

To ensure compliance with the applicable limits, SEBI, pursuant to its master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 and the SEBI RTA Master Circular, has directed that at the time of finalization of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs/ FPI investor group who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilize the multi investment manager structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- 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;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

FPIs are permitted to participate in the issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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) 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 it subject to, *inter alia*, the following conditions:

- such offshore derivative instruments are transferred to person's subject to fulfilment of SEBI FPI Regulations; and
- 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.

The FPIs who wish to participate in the issue are advised to use the Bid cum Application Form for Non-Residents (in [●] colour).

Further, Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure ("**MIM Structure**") in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of

their respective investment managers in such confirmations. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

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 utilizing 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 issue 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.*”

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital of our Company, on a fully diluted basis. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

For details of investment by FPIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 415. Participation of FPIs shall be subject to the FEMA Non-Debt Instruments Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by SEBI Registered VCFs, AIFs and FVCIs**

The SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. 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. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

### **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 BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

### **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 BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, 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 bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, 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; or (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. Further no bank shall hold 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, 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.

The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with applicable law, including 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, respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **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 BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each as amended (“**IRDAI Investment Regulations**”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.



### **Bids by Provident Funds/ Pension Funds**

In case of Bids made by provident funds with minimum corpus of ₹250 million and pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, a certified copy of a 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 BRLM 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 or 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 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 law) 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 BRLM reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

**In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue. The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. 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 law or regulation or as specified in the Red Herring Prospectus and the Prospectus, when filed.**

### **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 acknowledgment 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 acknowledgment 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 and/or the BRLM 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 or the 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 NIBs 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. RIBs can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Issue Period.

### ***Do's:***

- 1) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- 2) Ensure that you have Bid within the Price Band;
- 3) Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
- 4) Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account number (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an 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;
- 5) UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in the list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time;
- 6) 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;
- 7) Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
- 8) UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- 9) 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;

- 10) Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary, if applicable;
- 11) Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
- 12) UPI Bidders in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 13) Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- 14) RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
- 15) Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or 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 Issue 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;
- 16) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the 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;
- 17) Ensure that their PAN is linked with Aadhar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023;
- 18) Ensure that the Demographic Details are updated, true and correct in all respects;
- 19) 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;
- 20) Ensure that the category and the investor status is indicated in the Bid cum Application Form;
- 21) Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

- 22) Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
- 23) Since the Allotment will be in dematerialized form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, 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, PAN and UPI ID, if applicable, available in the depository database;
- 24) Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI;
- 25) UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
- 26) Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
- 27) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Issue Closing Date;
- 28) 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;
- 29) UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a 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 authorized the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form; and
- 30) Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) 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 [www.sebi.gov.in](http://www.sebi.gov.in)).
- 31) The ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

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 list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, is liable to be rejected.

***Don'ts:***

- 1) Do not Bid for lower than the minimum Bid size;
- 2) Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- 3) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

- 4) Do not Bid at Cut-off Price (for Bids by QIBs and NIBs);
- 5) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 6) Do not submit the Bid for an amount more than funds available in your ASBA account.
- 7) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
- 8) In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
- 9) If you are a UPI Bidder and are using UPI Mechanism, do not submit more than one ASBA Form for each UPI ID;
- 10) Anchor Investors should not Bid through the ASBA process;
- 11) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 12) Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- 13) Do not submit the General Index Register (GIR) number instead of the PAN;
- 14) Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 15) 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;
- 16) 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);
- 17) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- 18) Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- 19) Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- 20) Do not Bid for Equity Shares in excess of what is specified for each category;
- 21) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Issue 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;
- 22) 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 NIB. RIBs can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
- 23) Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
- 24) If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;

- 25) 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;
- 26) Do not submit a Bid cum Application Form with a third-party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);
- 27) UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected; and
- 28) Do not Bid if you are an OCB.
- 29) 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;

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-issue or post issue related issues regarding share certificates/ dematerialized credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” beginning on page 97.

For helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information - Book Running Lead Managers*” on page 97.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) 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; and (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post issue BRLM 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 no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The BRLM shall be the nodal entity for any issues arising out of the public issuance process.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalizing the basis of allotment in a fair and proper manner**

The authorized employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized 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 offered 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 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants 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 RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. The allotment of Equity Shares to each NIB shall not be less than minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in the SEBI ICDR Regulations.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company in consultation with the BRLM, 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. 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: “[•]”
- (b) In case of Non-Resident Anchor Investors: “[•]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement amongst our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

#### **Pre-Issue 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-issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [•], an English national daily newspaper and all editions of [•], a Hindi national daily newspaper as, Hindi being the regional language of Bihar, where our Registered Office is located, each with wide circulation.

In the pre-issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **Allotment Advertisement**

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [•], an English national daily newspaper and all editions of [•], a Hindi national daily newspaper, Hindi being the regional language of Bihar, where our Registered Office is located, each with wide circulation.

**The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate 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/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue 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 Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of our 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:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders (including Anchor Investor Application Form from Anchor Investors);
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 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 three Working Days from the Bid/Issue Closing Date or such other time as prescribed by SEBI under applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds/unblocking (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- No further issue of the Equity Shares shall be made until the Equity Shares offered 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.;
- Our Company, in consultation with the BRLM, reserve the right not to proceed with the Issue, in whole or in part thereof, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed;
- if our Company, in consultation with the BRLM withdraw the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI;
- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and
- Promoter's contribution, if any, shall be brought in advance before the Bid/Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.

#### **Utilisation of Issue Proceeds**

Our Board of Directors certifies and declares that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act;
- details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains un-utilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- Details of all un-utilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such un-utilised 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 (formerly, Department of Industrial Policy and Promotion) (“DPIIT”) issued the Consolidated FDI Policy Circular of 2020, (“FDI Policy”) which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of the FDI Policy and FEMA Rules, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 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. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the existing policy of the Government of India, OCBs cannot participate in the Issue. For further details, see ‘Issue Procedure’ on page 395.

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. There will be no offering of securities in the United States.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders were advised to make their independent investigations, seek independent legal advice about its liability to participate in the Issue and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

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## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### ARTICLES OF ASSOCIATION OF

#### BMW VENTURES LIMITED

##### Manner of Application of Table F

1. The regulations contained in Table F, in the first Schedule, to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.

##### INTERPRETATION

2. In the interpretation of these Articles, the following words and expressions shall have the following meanings assigned thereunder, unless repugnant to the subject matter or content thereof.

- (a) The Act” or “the said Act”

“The Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

- (b) “These Articles”

“These Articles” means Articles of Association for the time being of the Company or the Articles of Association as altered from time to time by special resolution.

- (c) “Beneficial Owner”

“Beneficial Owner” shall have the meaning assigned thereto in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

- (d) “The Company” or “this Company”

“The Company” or “this Company” means **BMW VENTURES LIMITED**.

- (e) “The Directors”

“The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

- (f) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1)(e) of the Depositories Act, 1996.

- (g) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

- (h) “The Board” or the “Board of Directors”

“The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act.

(i) “The Chairman”

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

(j) “The Managing Director”

“The Managing Director” includes one or more persons appointed as such or any of such persons or Directors for the time being of the Company who may for the time being be the Managing Director of the Company.

(k) “The Office”

“The Office” means the Registered Office for the time being of the Company.

(l) “Capital”

“Capital” means the share capital for the time being raised or authorized to be raised, for the purpose of the Company.

(m) “The Registrar”

“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(n) “Dividend”

“Dividend” includes Bonus.

(o) “Month”

“Month” means the calendar month.

(p) “Seal”

“Seal” means the Common Seal for the time being of the Company.

(q) “In Writing and Written”

“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

(r) “Plural Number”

Words importing the singular number also include the plural number and vice versa.

(s) “Persons”

“Persons” include corporations and firms as well as individuals.

(t) “Gender”

Words importing the masculine gender also include the feminine gender.

(u) “Securities & Exchange Board of India”

“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

(v) “Year and Financial Year”

“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expression in the Act to bear except same meaning in the Articles

Save as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

Marginal Notes

The marginal notes hereto shall not affect the construction of these Articles.

**COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY**

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100 or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
  - (a) The Memorandum;
  - (b) The Articles, if any;
  - (c) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

**CAPITAL AND SHARES**

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

**SHARES AT THE DISPOSAL OF THE DIRECTORS**

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit 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 Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

## **FURTHER ISSUE OF SHARES**

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered:
- (a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
    - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined.
    - (ii) unless the articles of the company otherwise provide, the offer aforesaid 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 referred to in clause (i) shall contain a statement of this right;
    - (iii) after the expiry of the time specified in the notice aforesaid, 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 them of in such manner which is not disadvantageous to the shareholders and the company;
  - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by Central Government; or
  - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.
  - (d) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (2) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company.
- (3) The terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

## **POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES**

9. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
- (ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9 (i) in accordance with the directions of the Board or

any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9 (i) and (ii) above.

#### **REDEEMABLE PREFERENCE SHARES**

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.
11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect:
  - (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a issue of shares made for the purposes of such redemption;
  - (b) No such shares shall be redeemed unless they are fully paid;
  - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

#### **NEW CAPITAL SAME AS ORIGINAL CAPITAL**

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

#### **RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES**

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

(2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person or for any shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to:

- (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by Central Government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription for, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
- (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with



a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by Central Government.

### **REDUCTION OF CAPITAL**

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

### **CONSOLIDATION AND DIVISION OF CAPITAL**

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
  - (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
  - (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - (c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to be reduction of share capital within the meaning of the Act.

### **SALE OF FRACTIONAL SHARES**

16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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.

### **MODIFICATION OF RIGHTS**

17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class.

### **ISSUE OF FURTHER SHARES ON PARI PASSU BASIS**

18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

### **NO ISSUE WITH DISPROPORTIONATE RIGHTS**

19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

### **POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE**

- (a) “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”.

### **DEMATERIALIZATION OF SECURITIES**

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

### **INTIMATION TO DEPOSITORY**

- (c) “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities”

### **OPTION FOR INVESTORS**

- (d) “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.”

### **THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER**

- (e) “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

### **SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS**

- (f) “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.”

## **RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS**

- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

## **DEPOSITORY TO FURNISH INFORMATION**

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

## **SHARES AND CERTIFICATES REGISTER AND INDEX OF MEMBERS**

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

## **SHARES TO BE NUMBERED PROGRESSIVELY**

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

## **DIRECTORS MAY ALLOT SHARES FULLY PAID-UP**

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

## **APPLICATION OF PREMIUM RECEIVED ON SHARES**

23. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.
- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company:

- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
- (b) in writing off the preliminary expenses of the company;
- (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
- (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
- (e) for the purchase of its own shares or other securities under section 68.

### **ACCEPTANCE OF SHARES**

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

### **LIABILITY OF MEMBERS**

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

### **LIMITATION OF TIME FOR ISSUE OF CERTIFICATE**

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 to all such holder.

### **ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED**

27. If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees 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 Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### **RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED**

28. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

(ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

#### **JOINT ALLOTTEES OF HOLDERS**

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

#### **COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.

(ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

#### **WHO MAY HOLD SHARES**

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind.
32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

## **SWEAT EQUITY**

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

## **DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES**

34. (1) In pursuance of Section 89 of the Act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.

(2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)

(3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)

(4) The Company has been bound to follow the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.

(5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by Central Government, within the time specified under section 403.

(6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.

(7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged/

## **FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY**

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any Share in the Company in its holding Company.

## **ISSUE OF SHARES WITHOUT VOTING RIGHTS**

36. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

## **SECTION 45 OF ACT NOT TO APPLY**

37. Notwithstanding anything to the contrary contained in the Articles

- (i) Section 45 of the Act shall not apply to the Shares held with a Depository

## **TRUST RECOGNIZED**

38. Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

## **REGISTRATION OF CHARGES**

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

## **UNDERWRITING AND BROKERAGE**

### **COMMISSION MAY BE PAID**

40. The Company may, subject to the provisions of Section 40 and other applicable provisions, if any, of the Act any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures, or partly in the one way and partly in the other subject to maximum of 5% of the share price or 2.5% in case of debenture, of the issued share or debenture price, as the case may be.

### **BROKERAGE MAY BE PAID**

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.



## **CALLS ON SHARES**

### **DIRECTORS MAY MAKE CALLS**

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (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 a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

### **CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS**

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

### **NOTICE OF CALLS**

44. One-month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

### **CALLS TO DATE FROM RESOLUTION**

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

### **DIRECTORS MAY EXTEND TIME**

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

### **CALL TO CARRY INTEREST AFTER DUE DATE**

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

### **PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES**

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minutes book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

#### **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

#### **FORFEITURE, SURRENDER AND LIEN**

##### **IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN**

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

##### **FORM OF NOTICE**

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

##### **IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED**

52. 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 all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

##### **NOTICE OF FORFEITURE**

53. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

##### **FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY**

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose of the same in such manner as it thinks fit.

### **POWER TO ANNUL FORFEITURE**

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed-off, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

### **ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE**

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

### **EFFECT OF FORFEITURE**

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

### **PROCEEDS HOW TO BE APPLIED**

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

### **DECLARATION OF FORFEITURE**

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that share in the Company has been duly forfeited in accordance with these Articles, 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.

(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed-off.

(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.

(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.

60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

### **TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES**

61. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of

and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee 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 with reference to the forfeiture, sale, re-allotment or disposal of the share.

#### **PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

#### **THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM**

63. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **BOARD MAY ACCEPT SURRENDER OF SHARES**

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

#### **COMPANY'S LIEN ON SHARE/DEBENTURES**

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

#### **ENFORCING LIEN BY SALE**

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member, his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

#### **APPLICATION OF PROCEEDS OF SALE**

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

## **VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE**

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

## **BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES**

69. Where any shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

## **SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL**

70. For the purpose of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **REGISTER OF TRANSFER**

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

### **EXECUTION OF TRANSFER**

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

### **INSTRUMENT OF TRANSFER**

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

### **FORM OF TRANSFER**

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

## **NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC**

75. No transfer shall be made to a minor or a person of unsound mind.

## **TRANSFER OF SHARES**

76. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

## **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

77. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one 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, 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 the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

## **NO FEE ON TRANSFER OR TRANSMISSION**

78. 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.

## **TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN**

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

## **WHEN TRANSFER TO BE RETAINED**

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

## **DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES**

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

### **TITLE TO SHARES OF DECEASED HOLDER**

82. Subject to Article 81, the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

### **REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER**

83. Subject to the provisions of the Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

### **CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE**

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

### **TRANSMISSION OF SHARE**

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

### **BOARD MAY REFUSE TO TRANSMIT**

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

### **BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION**

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given



to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

#### **TRANSFER BY LEGAL REPRESENTATION**

88. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of instrument of transfer.

#### **CERTIFICATE OF TRANSFER**

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures.

#### **THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF TRANSFER**

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

#### **NOMINATION**

91. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by Central Government under the Act.

(ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by Central Government under the act.

(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be , all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by Central Government under the Act.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

### **“Option of Nominee”**

92. (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.

(ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

### **TRUST NOT RECOGNISED**

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

### **TRANSFER OF SECURITIES**

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

### **NOTICE OF APPLICATION WHEN TO BE GIVEN**

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

### **REFUSAL TO REGISTER NOMINEE**

96. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

### **PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER**

97. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

#### **BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS**

98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

#### **JOINT HOLDERS**

99. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

#### **JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES**

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

- (b) On the death of any such joint holder, 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 it 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.

#### **EFFECTUAL RECEIPTS**

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER**

- (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 delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in the Articles and documents served on or sent to such person shall be deemed service on all the joint holders).

#### **VOTES OF JOINT HOLDERS**

- (e) Any one or 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 than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

#### **CONVERSION OF SHARES INTO STOCK**

#### **SHARES MAY BE CONVERTED INTO STOCK**

100. The Board may, pursuant to Section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth,

transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

### **RIGHTS OF STOCK-HOLDERS**

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

### **MEETING OF MEMBERS**

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Registrar may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.

(b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.

103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

### **DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING**

104. The General Meeting referred to in Article 102 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-Ordinary General Meetings.

### **CALLING OF EXTRA-ORDINARY GENERAL MEETING**

105. (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).

(3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.

(4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

(5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.

(6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

### **LENGTH OF NOTICE FOR CALLING MEETING**

106. (1) A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be determined by Central Government:

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

(2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.

(3) The notice of every meeting of the company shall be given to:

- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) the auditor or auditors of the company; and
- (c) every director of the company.

(4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

### **EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS**

107. (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely:

(a) the nature of concern or interest, financial or otherwise, if any, in respect of each item of:

- (i) every director and the manager, if any;
- (ii) every other key managerial personnel; and
- (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);

(b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

(2) For the purposes of clause (1),

(a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than:

- (i) the consideration of financial statements and the reports of the Board of Directors and auditors;

- (ii) the declaration of any dividend;
- (iii) the appointment of directors in place of those retiring;
- (iv) the appointment of, and the fixing of the remuneration of, the auditors; And
- (b) in the case of any other meeting, all business shall be deemed to be special:

Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

(3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub-clause (1).

108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

### **QUORUM**

109. (1) The quorum for a General Meeting of the Company shall be as under:

- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
- (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
- (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.

(2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company:

- (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
- (b) the meeting, if called by requisitionists under section 100, shall stand cancelled:  
Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

(3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

### **RESOLUTION PASSED AT ADJOURNED MEETING**

110. Where a resolution is passed at an adjourned meeting of:

- (a) a company; or
- (b) the holders of any class of shares in a company; or
- (c) the Board of Directors of a company,

the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

## **REGISTRATION OF RESOLUTIONS AND AGREEMENTS**

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

## **POWER OF ADJOURN GENERAL MEETING**

112. (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) 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.
- (3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

## **CHAIRMAN OF GENERAL MEETING**

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extraordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

## **BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT**

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

## **RESOLUTION MUST BE PROPOSED AND SECONDED**

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

## **POSTAL BALLOT**

116. (1) Notwithstanding anything contained in this Act, the company:
- (a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
  - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.



## **DECLARATION OF CHAIRMAN TO BE CONCLUSIVE**

- 117.** A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

## **CIRCULATION OF MEMBERS' RESOLUTION**

- 118.** (1) A company shall, on requisition in writing of such number of members, as required in section 100:
- (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
  - (b) Circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
- (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless:
- (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company:
    - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
    - (ii) in the case of any other requisition, not less than two weeks before the meeting; and
  - (b) There is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:
- Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.
- (3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

## **VOTES OF MEMBERS**

### **VOTES MAY BE GIVEN BY PROXY OR ATTORNEY**

- 119.** Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorized under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

### **VOTES OF MEMBERS**

120. (1) Subject to the provisions of section 43 and sub-section (2) of section 50:

(a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and

(b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.

(2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for their payment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

### **RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY**

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

### **REPRESENTATION OF BODY CORPORATE**

122. Pursuant to section 113, a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

### **REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS**

123. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

#### **RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS**

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

#### **RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID**

125. A member is not prohibited from exercising his voting right 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 Article 124.

#### **HOW MEMBER NON-COMPOS MENTIS MAY VOTE**

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty-eight hours before the time of holding a meeting.

#### **INSTRUMENT OF PROXY**

127. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an office or attorney duly authorized by it.

#### **INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE**

128. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not less than forty-eight 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. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

#### **WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED**

129. 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 share in respect of which the vote 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 adjournment meeting at which the proxy is used.

#### **FORM OF PROXY**

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

#### **TIME FOR OBJECTION TO VOTE**

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

#### **CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE**

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF**

133. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable.

#### **DIRECTORS**

134. (1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.

(2) The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The First Directors of the Company are:

1. BIJAY KUMAR KISHOREPURIA
2. SABITA DEVI KISHOREPURIA
3. BINOD KUMAR KISHOREPURIA
4. SANTOSHI KISHOREPURIA”

#### **INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

135. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

#### **POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS**

136. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

#### **ALTERNATE DIRECTORS**

137. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director;

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India;

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.”

## **NOMINEE DIRECTORS**

138. The Board shall have the power to appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

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, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

139. A Director need not hold any qualification shares.

## **REMUNERATION OF DIRECTORS**

140. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or

(ii) by way of commission if the Company by a special resolution authorises such payments.

(3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.

(4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

## **INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

141. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

## **TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS**

142. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending

any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

#### **DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY**

143. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles 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 for summoning a General Meeting of the Company but for no other purpose.

#### **DISCLOSURE OF INTEREST OF DIRECTORS**

144. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.

(2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into:

- (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:  
Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

(4) Nothing in this Article:

- (a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;
- (b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

#### **INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS**

145. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

## **BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED**

146. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder:
- (i) for the sale, purchase or supply of any goods, materials or services; or
  - (ii) selling or otherwise disposing of, or buying, property of any kind;
  - (iii) leasing of property of any kind;
  - (iv) availing or rendering of any services;
  - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
  - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
  - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company;
- (2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))
- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
- (5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

## **SPECIAL DIRECTOR**

147. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaborator" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.



It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.

#### **DIRECTORS' SITTING FEES**

148. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be determined by the Central Government for each of the meetings of the Board or A committee thereof and adjournments thereto attended by him. The directors, Subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

#### **DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY**

149. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189 and 196 of the Act shall be duly observed and complied with.

#### **DISQUALIFICATION OF THE DIRECTOR**

150. (1) A person shall not be eligible for appointment as a director of a company, if:

- (a) he is of unsound mind and stands so declared by a competent court;
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudicated as an insolvent and his application is pending;
- (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;

- (e) an order disqualifying him for appointment as a director has been passed by a Court or Tribunal and the order is in force;
- (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
- (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- (h) he has not complied with sub-section (3) of section 152.

- (2) No person who is or has been a director of a company which:

- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or

- (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

### **DIRECTORS VACATING OFFICE**

151. The office of a Director shall be vacated if:

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

### **DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY**

152. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

### **RETIREMENT AND ROTATION OF DIRECTORS**

#### **RETIREMENT OF DIRECTORS BY ROTATION**

153. (1) (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall:

- (i) be persons whose period of office is liable to determination by retirement of directors by rotation; and

(ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

(b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.

(c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

(d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

(2)(a) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless:

1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
2. the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;
3. he is not qualified or is disqualified for appointment;
4. a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
5. section 162 is applicable to the case.

#### **APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY**

154. (1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.

(2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.

(3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

155. (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or,

as the case may be, to the member, if the person proposed get selected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

(2) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

### **RESIGNATION OF DIRECTOR**

156. (1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company:

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by Central Government.

(2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:

Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

(3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

### **REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR**

157. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

### **APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS**

158. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.

b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

### **REMOVAL OF DIRECTORS**

159. (1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

(2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.

(4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so-

- (a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and
- (b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).

(6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.

(8) Nothing in this section shall be taken:

- (a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
- (b) as derogating from any power to remove a director under other provisions of this Act.

#### **ELIGIBILITY FOR RE-ELECTION**

160. A retiring Director shall be eligible for re-election.

## **PROCEEDINGS OF DIRECTORS**

### **MEETINGS OF BOARD**

161. (1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub-section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

(2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

(3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

### **QUORUM**

162. (1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.

(2) 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 and for no other purpose.

(3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

(4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

### **DECISION OF QUESTIONS**

163. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

### **BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN**

164. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the

Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

#### **POWER OF BOARD MEETING**

165. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles are for the time being vested in or exercisable by the Board generally.
166. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

#### **MEETING OF THE COMMITTEE HOW TO BE GOVERNED**

167. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

#### **DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN**

168. No act done by a person as a director shall be deemed to be invalid, notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

#### **PASSING OF RESOLUTION BY CIRCULATION**

169. (1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by Central Government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.

(2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

#### **SPECIAL NOTICE**

170. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding



not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

### **GENERAL POWERS OF THE BOARD**

171. (1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

- (2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

### **CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS**

172. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely:

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

## **RESTRICTIONS ON POWERS OF BOARD**

173. (1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely:

- (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
- (b) to invest otherwise in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
- (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:

Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause (d) to remit, or give time for the repayment of, any debt due from a director.

(2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.

(3) Nothing contained in clause (a) of sub-section (1) shall affect:

- (a) the title of a buyer or other person who buys or takes on lease any property, investment or undertaking as is referred to in that clause, in good faith; or
- (b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.

(4) Any special resolution passed by the company consenting to the transaction as is referred to in clause (a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:

Provided that this sub-section shall not be deemed to authorize the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.

(5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

## **POWER TO BORROW**

174. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

175. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

## **THE PAYMENT OR REPAYMENT OF MONEYS BORROWED**

176. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debenture stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

## **BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS**

177. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

## **CONDITION ON WHICH MONEY MAY BE BORROWED**

178. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

## **TERMS OF ISSUE OF DEBENTURES**

179. Any debentures, debenture-stock or other securities may be issued at a discount, 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, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

## **DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED**

180. (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

(2) No company shall issue any debentures carrying any voting rights.

(3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.

(4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.

(5) No company shall issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed

one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by Central Government.

(6) A debenture trustee shall take steps to protect the interests of the debenture holders and redress their grievances in accordance with such rules as may be determined by Central Government.

(7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three fourths in value of the total debentures at a meeting held for the purpose.

(8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

(9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.

(10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.

(11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.

(12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.

(13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

### **EXECUTION OF INDEMNITY**

181. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

### **CERTAIN POWERS OF THE BOARD**

182. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

- 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.

- 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.
- 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as fully paid up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charges upon all or any part of the property of the Company including its uncalled capital or not so charges.
- 4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- 8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.
- 9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be though fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof

in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

- 15) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of working expenses of the Company.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.
- 20) To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of the Act and of the provision contained in these presents.
- 21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.
- 22) To redeem redeemable preference shares.

- 23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- 24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

#### **APPOINTMENT OF INDEPENDENT DIRECTOR**

183. Pursuant to Section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of Section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act:

(i) an independent director;

(ii) a non-executive director not being promoter or key managerial personnel, shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

#### **KEY MANAGERIAL PERSONNEL**

##### **APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

184. (1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.



(2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board.

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel.

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

(3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

#### **REMUNERATION OF KEY MANAGERIAL PERSONNEL**

185. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

#### **DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR**

186. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

#### **CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS**

187. No company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who:

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

188. Special to any contract between him and the Company, a Managing or Whole time Director shall, while he continues to hold that office, be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire and (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions

as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director or Whole time Director if he ceases to hold the office of Director from any cause.

189. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:

- (a) Managing Director and
- (b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

#### **THE SECRETARY**

190. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

#### **THE SEAL, ITS CUSTODY AND USE**

191. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **MINUTES**

192. (1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.

- (a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the next succeeding meeting.
- (b) In the case of minutes of proceedings of a General Meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.

193. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 192 above, shall be evidence of the proceedings recorded therein.

194. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of Article 192 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

195. (1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday
- (2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain:
- (a) the names of the directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- (7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman 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.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

#### **PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED.**

196. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

#### **DIVIDENDS**

197. (1) No dividend shall be declared or paid by a company for any financial year except:
- (a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
  - (b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:

Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company: Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by Central Government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

(2) The depreciation shall be provided in accordance with the provisions of Schedule II of the Act.

(3) The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

(4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

(5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company:

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

(6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

#### **DIVIDEND TO JOINT HOLDERS**

198. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

199. 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.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

#### **APPORTIONMENT OF DIVIDENDS**

200. All dividends shall be apportioned and paid proportionate 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.

### **DECLARATION OF DIVIDENDS**

201. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

### **RESTRICTION ON AMOUNT OF DIVIDEND**

202. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

### **DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST**

203. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.
- (2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

### **INTERIM DIVIDENDS**

204. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

### **DEBTS MAY BE DEDUCTED**

205. The Board may retain any dividends payable on shares on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

### **DIVIDEND AND CALL TOGETHER**

206. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

### **EFFECT OF TRANSFER**

207. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

### **RETENTION IN CERTAIN CASES**

208. The Board may retain the dividends payable upon shares in respect of which any person is, under Articles entitled to become a Member, which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

### **NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THEREOUT**

209. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

### **PAYMENT BY POST**

210. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

### **DIVIDEND TO BE PAID WITHIN THIRTY DAYS**

211. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:
- (a) the dividend could not be paid by reason of the operation of any law or
  - (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions cannot be complied with or
  - (c) there is dispute, regarding the right to receive the dividend or
  - (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
  - (e) for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

### **UNPAID OR UNCLAIMED DIVIDEND**

212. (1) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty 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 to be called the Unpaid Dividend Account.
- (2) The company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) 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 determined by central government.
- (3) If any default is made in transferring the total amount referred to in sub-section (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 endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- (4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.
- (5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125

and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.

(6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by Central Government.

### **CAPITALIZATION OF RESERVES**

213. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

- 1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or
- 2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or
- 3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

(b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and

(2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve up to an amount equal to the nominal amount of the shares so issued.

(c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.

(d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.



(e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he 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 of invalidity in the proceedings with reference to the sale.

(f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

### **FRACTIONAL CERTIFICATES**

214. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;

- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
- (b) Generally, do all acts and things required to give effect thereto.

(2) The Board shall have full power:

- (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also.
- (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

### **DIVIDEND IN CASH**

215. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

216. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

### **BOOKS OF ACCOUNTS**

#### **BOOKS OF ACCOUNTS TO BE KEPT**

217. The Company shall cause to be kept proper books of account with respect to:

- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;

- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iv) the items of cost as may be determined by Central Government under section 148 in the case of a company which belongs to any class of companies specified under that section;

### **BOOKS WHERE TO BE KEPT AND INSPECTION**

218. (1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by Central Government.

(2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).

(3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.

(4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

### **INSPECTION BY MEMBERS**

219. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts the and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

### **TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**

220. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be at least 30 (thirty) days.

## **STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING**

221. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

## **FINANCIAL STATEMENT**

222. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

## **AUTHENTICATION OF FINANCIAL STATEMENT**

223. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon. Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

## **BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT**

224. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company or Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of Article 229. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

## **RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT**

225. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

#### **A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR**

226. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

#### **RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT**

227. (1) Without prejudice to the provisions of Section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by Central Government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall:

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
- (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.

(2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

#### **ACCOUNTS TO BE AUDITED**

228. (1) Once at least in every year the accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.

(2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

## **APPOINTMENT OF AUDITORS**

229. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.

(2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

(3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:

- (a) he is not disqualified for re-appointment;
- (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
- (c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

(4) The company shall not appoint or reappoint:

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.
- (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

(5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

## **POWER OF BOARD TO MODIFY FINAL ACCOUNTS**

230. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

## **DOCUMENTS AND NOTICE**

### **SERVICES OF DOCUMENTS ON MEMBER BY COMPANY**

231. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by Central Government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

### **SERVICE OF DOCUMENTS ON COMPANY**

232. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

“Service of documents on the Company”

233. Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

## **AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS**

234. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

## **REGISTERS AND DOCUMENTS**

### **REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY**

235. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
  - (b) Register of mortgages and charges as required by Section 85 of the Act.
  - (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
  - (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
  - (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
  - (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
  - (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

## **MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM**

236. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc:
- (a) required to be kept by a company; or
  - (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

## **INDEMNITY**

237. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **WINDING UP**

### **DISTRIBUTION OF ASSETS**

238. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the Act.
- (c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

### **RIGHT OF SHAREHOLDERS IN CASE OF SALE**

239. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction

## **SECRECY CLAUSE**

240. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.



241. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

**KNOWLEDGE IMPLIED**

242. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

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## **SECTION IX: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be filed with the RoC. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office located at First Floor, Mona Cinema Complex, East Gandhi Maidan, Patna-800004, Bihar between 10 a.m. to 5 p.m. IST on all Working Days and shall also be available on [www.bmwventures.com](http://www.bmwventures.com) from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

#### **A. MATERIAL CONTRACTS FOR THE ISSUE**

- 1) Issue Agreement dated March 27, 2025 between our Company and the Book Running Lead Manager.
- 2) Agreement dated March 27, 2025 between our Company and the Registrar to the Issue.
- 3) Public Issue Account Agreement dated [•] between our Company, the Registrar to the Issue, the Book Running Lead Manager, the Banker to the Issue and Syndicate Members.
- 4) Syndicate Agreement dated [•] between our Company, the Registrar to the Issue, the BRLM and Syndicate Members.
- 5) Underwriting Agreement dated [•] between our Company and the Underwriter.
- 6) Monitoring Agency Agreement dated [•] entered into between our Company and the Monitoring Agency.

#### **B. MATERIAL DOCUMENTS**

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Certificate of incorporation dated October 07, 1994, and certificate for commencement of business dated October 19, 1994, issued by the Registrar of Companies, Patna
- 3) Resolution of the Board of Directors dated March 25, 2025 approving the Issue and other related matters.
- 4) Shareholders' resolution dated March 27, 2025 approving the Issue and other related matters.
- 5) Resolution of the Board of Directors April 30, 2025 approving this Draft Red Herring Prospectus.
- 6) Resolution dated April 25, 2025 passed by the Audit Committee approving the key performance indicators for disclosure.
- 7) The examination report dated February 20, 2025 from the Statutory Auditors on our Restated Financial Information.
- 8) Statement of tax benefits dated April 01, 2025 issued by A D V & Associates, Chartered Accountants.
- 9) Consent dated April 30, 2024 from the Independent Chartered Engineer, Bhartia & Associates, to include their name as required under Section 26(1) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013.

- 10) Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Legal Advisor, Banker(s) to the Issue, the BRLM, Syndicate Members, Monitoring Agency, Registrar to the Issue to act in their respective capacities.
- 11) Consent Letter dated March 28, 2025 from A D V and Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) 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 Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.
- 12) Consent dated April 25, 2024 from CRISIL, to include contents or any part thereof from their report titled "*Assessment of steel industry in Bihar*" dated March 2025 in this Draft Red Herring Prospectus;
- 13) Report titled "*Assessment of steel industry in Bihar*" dated March 2025, prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited and commissioned by our Company for an agreed fee.
- 14) Certificate dated April 25, 2025 issued by A D V and Associates, Chartered Accountants certifying the KPIs of our Company.
- 15) The Managing Director Employment agreement between our Company and our Promoter dated January 06, 2024.
- 16) The Whole Time Director Employment agreement between our Company and our Promoter dated September 10, 2022.
- 17) The Whole Time Director Employment agreement between our Company and our Promoter dated April 01, 2024.
- 18) Due diligence certificate dated April 30, 2025 addressed to SEBI from the BRLM.
- 19) In-principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.
- 20) Final observation letter bearing number [●] dated [●] issued by SEBI.
- 21) Tripartite agreement dated February 21, 2019 between our Company, NSDL and Registrar to the Issue.
- 22) Tripartite agreement effective as of March 10, 2017 between our Company, CDSL and Registrar to the Issue.

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 notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Nitin Kishorepuria**

*Managing Director*

**Date:** April 30, 2025

**Place:** Patna

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Rachna Kishorepuria**

***Whole-Time Director***

**Date:** April 30, 2025

**Place:** Patna

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Bijay Kumar Kishorepuria**

*Whole Time Director*

**Date:** April 30, 2025

**Place:** Patna

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

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**Sabita Devi Kishorepuria**

*Non-Executive Director*

**Date:** April 30, 2025

**Place:** Patna



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

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**Birendra Yadav**

*Chief Financial Officer*

**Date:** April 30, 2025

**Place:** Patna

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Yogesh Tulsyan**

*Independent Director*

**Date:** April 30, 2025

**Place:** Patna

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Sourabh Ajmera**

*Independent Director*

**Date:** April 30, 2025

**Place:** Patna

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

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**Ravi Jagetiya**

*Independent Director*

**Date:** April 30, 2025

**Place:** Patna

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended or rules made or guidelines or regulations notified thereunder, as the case may be. I further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**Arpit Jagdishchandra Kabra**

*Independent Director*

**Date:** April 30, 2025

**Place:** Patna