(*Please scan this QR Code to view the RHP*)

Red Herring Prospectus
Dated: March 23, 2022
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

HARIOM PIPE INDUSTRIES LIMITED

Corporate Identity Number: U27100TG2007PLC054564

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
Plot 3-4-174/12/2, 1st Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India	Plot 3-4-174/12/2, 2nd Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India	Mr. Chirag Partani, Company Secretary and Compliance Officer	**E-mail:** cs@hariompipes.com **Tel:** +91 40 2401 6101	www.hariompipes.com

PROMOTERS: RUPESH KUMAR GUPTA AND SAILESH GUPTA

DETAILS OF ISSUE TO PUBLIC

Type	Fresh Issue Size	Total Issue Size	Eligibility & Share Reservation among QIB, NII &RII		
			QIB	**NII**	**RII**
Fresh Issue	Up to ₹ [●] Lakhs	Up to ₹ [●] Lakhs	Not more than 30% of the Issue size	Not less than 35% of the Issue size	Not less than 35% of the Issue size
			The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations		

RISKS IN RELATION TO FIRST ISSUE

The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Issue Price*" on page 92 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 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 Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 22.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 13, 2021 and October 14, 2021, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 334.

BOOK RUNNING LEAD MANAGER TO THE ISSUE		REGISTAR TO THE ISSUE	
ITI CAPITAL LIMITED			
Name of Book Running Lead Manager to the Issue: **ITI Capital Limited**	**Name of Contact Person**: Pallavi Shinde/ Mihir B. Pandhi **Tel No.:** +91 22 4031 3371/ +91 22 4031 3465/ +91 22 6911 3388 **Email:** ipo.hariom@iticapital.in	**Name of Registrar to the Issue**: **Bigshare Services Private Limited**	**Name of Contact Person**: Ashish Bhope **Tel. No.:** +91 22 6263 8200 **Email:** ipo@bigshareonline.com

BID/ISSUE PROGRAMME	
BID/ ISSUE OPENS ON:	**Wednesday, March 30, 2022**
BID / ISSUE CLOSES ON:	**Tuesday, April 5, 2022**

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

Red Herring Prospectus
Dated: March 23, 2022
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

HARIOM PIPE INDUSTRIES LIMITED

Our Company was incorporated as Hari Om Concast And Steels Private Limited on June 21, 2007 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 054564. The name of our Company was changed to Hariom Pipe Industries Private Limited vide Special Resolution dated December 12, 2017. A Certificate of Incorporation consequent to name change was issued on December 27, 2017 by Registrar of Companies, Hyderabad. Subsequently, our Company was converted into to a public limited company and the name of our Company was changed to Hariom Pipe Industries Limited by a special resolution passed on January 08, 2018. A fresh Certificate of Incorporation consequent upon conversion was issued on January 17, 2018 by the Registrar of Companies, Hyderabad. For further details of our Company, see "General Information" and "History and Certain Other Corporate Matters' on pages 55 and 149, respectively.

Registered Office: Plot 3-4-174/12/2, 1st Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India.
Corporate Office: Plot 3-4-174/12/2, 2nd Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India
Tel: +91 40 2401 6101; **Website:** www.hariompipes.com, **E-mail:** cs@hariompipes.com **CIN**: U27100TG2007PLC054564
Contact Person: Mr. Chirag Partani, Company Secretary and Compliance Officer

PROMOTERS: RUPESH KUMAR GUPTA AND SAILESH GUPTA

INITIAL PUBLIC ISSUE OF UP TO 85,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH OF HARIOM PIPE INDUSTRIES LIMITED ("OUR COMPANY" OR "THE ISSUER") 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 WILL CONSTITUTE [●]% OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 297.

THE FACE VALUE OF EQUITY SHARES IS ₹10 EACH. THE PRICE BAND FOR THE ISSUE IS ₹ 144 TO ₹ 153 PER EQUITY SHARE OF FACE VALUE OF ₹ 10.00 EACH. THE FLOOR PRICE IS 14.4 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 15.3 TIMES OF THE FACE VALUE OF EQUITY SHARES. BIDS CAN BE MADE FOR MINIMUM OF 98 EQUITY SHARES AND IN MULTIPLES OF 98 EQUITY SHARES THEREAFTER.

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In 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, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Banks.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 30% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. 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 QIBs. Further, not less than 35 % of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and 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 Price. All potential Bidders are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts and UPI ID (in case of RIBs), if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, see "Issue Procedure" on page 304.

RISKS IN RELATION TO FIRST ISSUE

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

GENERAL RISKS

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 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 Red Herring Prospectus. Specific attention of the investors is invited to 'Risk Factors' on page 22.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 13, 2021 and October 14, 2021, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 334.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTAR TO THE ISSUE
ITI CAPITAL LIMITED	
ITI Capital Limited ITI House, 36 Dr. R. K. Shirodkar Marg Parel, Mumbai – 400 012 Maharashtra, India Tel No.: +91 22 4031 3371/ +91 22 4031 3465/ +91 22 6911 3388 Email: ipo.hariom@iticapital.in Investor Grievance email: investorgrievance@iticapital.in Website: www.iticapital.in Contact Person: Pallavi Shinde/ Mihir B. Pandhi SEBI Registration No.: INM000010924	**BIGSHARE SERVICES PRIVATE LIMITED** 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai - 400 059 **Tel. No.:** +91 22 6263 8200 **Email:** ipo@bigshareonline.com **Investor Grievance Email:**investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Ashish Bhope **SEBI Registration No.:** INR000001385

BID/ISSUE PROGRAMME	
BID/ ISSUE OPENS ON:	**Wednesday, March 30, 2022**
BID / ISSUE CLOSES ON:	**Tuesday, April 5, 2022**

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

INDEX

SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, terms used in "Main Provisions of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information", "Basis for Issue Price" and "Outstanding Litigation and Other Material Developments", beginning on pages 321, 95, 98, 144, 48, 92 and 282 of this Red Herring Prospectus will have the meaning ascribed to such terms in those respective sections.

Company Related Terms

Term	Description
"Hariom Pipe Industries Limited", "HPIL", or "our Company" or "the Issuer'	Unless the context otherwise requires, refers to Hariom Pipe Industries Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Plot 3-4-174/12/2, 1st Floor, Samarpan lane, Beside Spencer's, Pillar No. 125, Attapur, Hyderabad - 500048, Telangana, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, our Company.
"you", "your" or "yours"	Prospective investors in this Issue.
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Chairman	The Chairman of our Company, being Pramod Kumar Kapoor.
Company Secretary and Compliance Officer	The Company Secretary of our Company, being CS Chirag Partani, Company Secretary and Compliance Officer.
Director(s)	Director(s) on the Board of our Company, as appointed from time to time, unless otherwise specified.
Equity Shareholders	The holders of the Equity Shares.
Equity Shares/Shares	The equity shares of our Company of a face value of ₹ 10.00 each unless otherwise specified in the context thereof.
Group Companies / Group Entities	Our group companies as disclosed in the section "*Our Group Companies*" on page 173.
Independent Directors	The independent Directors on our Board.
IPO Committee	The IPO committee of our Board formed pursuant to resolution dated August 28, 2021 approved by our Board.
Key Management Personnel / KMP	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations, Section 2(51) of the Companies Act, 2013. For details, please refer "*Our Management*" on page 154.
Materiality Policy	A policy adopted by our Company, in its Board meeting held on September 2, 2021 for identification of group companies, material creditors and material litigations.
Managing Director	Managing Director of our Company, namely, Rupesh Kumar Gupta.
MoA / Memorandum	The Memorandum of Association of our Company, as amended from time to time.

Term	Description
of Association	
Promoters	The Promoters of our Company namely, Mr. Rupesh Kumar Gupta and Mr. Sailesh Gupta.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details of our Company's Promoter Group, see "*Our Promoters and Promoter Group*" on page 169.
Registered Office	The registered office of our Company situated at Plot 3-4-174/12/2, 1st Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India.
Restated Financial Statements/ Restated Financial Information	The restated financial information of our Company which comprises of the restated Statements of Assets and Liabilities for six months period ended September 30, 2021 and as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for six months period ended September 30, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, Notes to Restated Financial Information and Statement of Adjustments to Audited Financial Statements and the summary of significant accounting policies together with the annexures and notes thereto and the examination report, which have been prepared in accordance with Ind AS and restated in accordance with the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.
Registrar of Companies / ROC	Registrar of Companies, Hyderabad.
Unit I	Survey. No.58/62/63/64 situated at Sheriguda Village, Peddaiahpally G. P., Balanagar Mandal, Mahabubnagar District, Telangana.
Unit II	Survey No. 98, D. Hirehal Village and Mandal, Anantapur District, Andhra Pradesh.
Units	Unit I and II.

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip, document or counter foil issued by the Designated Intermediary to an Bidder as proof of registration of Bid cum Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Application	An indication to make an offer during the Issue Period by an applicant, pursuant to submission of Bid cum Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Application Amount in relation to an Application by an Applicant.
ASBA Bidders	All Bidders.

Term	Description
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders 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), Refund Bank(s), Sponsor Banks and Public Issue Account Bank(s).
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, described in "*Issue Procedure*" on page 304.
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "**Bidding**" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable
Bid cum Application Form	The ASBA Form, as the context requires.
Bid Lot	98 Equity Shares and in multiples of 98 Equity Shares thereafter
Bid / Issue Closing Date	The date after which the Designated Intermediaries will not accept any Bids, being April 5, 2022, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and Hyderabad edition of Surya, a Telugu newspaper, Telugu being the regional language of Telangana where our Registered Office is located. 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, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Banks.
Bid/ Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being March 30, 2022, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and Hyderabad edition of Surya, a Telugu newspaper, Telugu being the regional language of Telangana where our Registered Office is located.
Bid / Issue Period	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. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for the QIB Category one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied.
Bidding Centres	Centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	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 / BRLM	The book running lead manager to the Issue being, ITI Capital Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that RIBs may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism, to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time.

Term	Description
Cap Price	The higher end of the Price Band i.e. ₹153, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into by our Company the Registrar to the Issue, the BRLM and the Banker(s) to the Issue for the appointment of the Sponsor Banks in accordance with the UPI Circulars, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant / 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 as per the list available on the websites of BSE and NSE.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars.
Cut-off Price	Issue Price, finalised by our Company in consultation with the BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father / husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with 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).
Designated Date	The date on which the amounts blocked are transferred from the ASBA Accounts to the Public Issue Account(s) in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and non-institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	NSE
Draft Red Herring Prospectus / DRHP	The draft red herring prospectus dated September 18, 2021, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares will be Allotted and the size of the Issue, and includes any addenda or corrigenda thereto.

Term	Description
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
First Bidder	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.
Floor Price	The lower end of the Price Band i.e. ₹144, subject to any revision(s) thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Gross Proceeds	The gross proceeds of the Issue which will be available to our Company.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism.
Issue / Public issue / Issue size / Initial Public issue / Initial Public Offer / Initial Public Offering / IPO	Public issue of up to 85,00,000 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs by our Company, in terms of this Red Herring Prospectus.
Issue Agreement	The agreement dated September 18, 2021 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders. 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 in terms of the Red Herring Prospectus.
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 81.
Mutual Fund Portion	5% of the 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	The proceeds from the Issue less the Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue related expenses, see "*Objects of the Issue*" beginning on page 81.
Non-Institutional Bidder / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 35% of the Issue, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Price Band	Price band of a minimum price of ₹ 144 per Equity Share (Floor Price) and the maximum price of ₹ 153 per Equity Share (Cap Price) including any revisions thereof. The Floor Price is 14.4 times of the face value of Equity Share and the Cap Price is 15.3 times of the face value of Equity Shares.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company that is eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Issue Price that is determined at the

Term	Description
	end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the ASBA Accounts on the Designated Date.
QIB Category / QIB Portion	The portion of the Issue being not more than 30% of the Issue, consisting of [●] Equity Shares which shall be Allotted to QIBs.
Qualified Institutional Buyers / QIBs / QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	This red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids.
Registrar Agreement	The agreement dated September 14, 2021 among 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 to the Issue / Registrar	Bigshare Services Private Limited.
Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount 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 Issue being not less than 35% of the Issue consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Revision Form	Form 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. 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. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI from time to time.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Banks	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs, using the UPI Mechanism and

Term	Description
	carry out any other responsibilities in terms of the UPI Circulars, in this case being, Axis Bank Limited, HDFC Bank Limited and ICICI Bank Limited
Stock Exchanges	Collectively, BSE and NSE.
Syndicate	Together, the BRLM and the Syndicate Members. For further details, see "*General Information*" on page 55.
Syndicate Agreement	Agreement to be entered into among our Company, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue and carry out activities as an underwriter, namely, Antique Stock Broking Limited and ITI Securities Broking Limited.
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into among the Underwriters and our Company on or after the Pricing Date, but prior to filing of the Prospectus.
UPI	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI Mobile App and by way of a SMS directing the RIB to such UPI Mobile App) to the RIB initiated by the Sponsor Banks to authorise 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 RIB to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) 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; (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
B2B	Business to Business
GP Pipes	Galvanized Pipes
HR Strips	Hot Rolled Strips
IEX	Indian Energy Exchange Limited
KVA	Kilovolt Amperes
Marketysers Global	Updated report titled "India Steel & Steel Products Analysis & Forecast, 2026" dated

Term	Description
Consulting Industry Report	February 10, 2022, commissioned by our Company and prepared by Marketysers Global Consulting LLP.
MTPA	Million tonnes per annum
MS	Mild Steel
MS Billets	Semi-finished casting product that needs further processing to transform it into finished goods.
MW	Mega watt
Products	MS Pipes and Scaffoldings
QC/QA	Quality Control/Quality Audit
RO Plant	A reverse osmosis water purification unit for water treatment.
Scaffoldings	A temporary structure on the outside of a building, made of metal poles, used by workmen while building, repairing, or cleaning the building.
Southern India	States of Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala and Puducherry.
SPDCAPL	Southern Power Distribution Company of Andhra Pradesh Limited
Sponge Iron	Finely divided, porous iron, reduced from an oxide at a temperature below the melting point.
TSPCB	Telangana State Pollution Control Board
TSSPDCL	The Telangana State Southern Power Distribution Company Limited
Western India	Maharashtra and Daman & Diu

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B.Com	Bachelor of Commerce
Banking Regulation Act	Banking Regulation Act, 1949
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a category II foreign portfolio investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
Central Sales Tax Act	Central Sales Tax Act, 1956
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased

Term	Description
	to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications, and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from June 7, 2016, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant’s identity number
DTC	Direct Tax Code, 2013
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
F&O	Futures and Options
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FD	Fixed Deposit
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
FMC	Forward Market Commission
FOB	Free on Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FTA	The Foreign Trade (Development and Regulation) Act, 1992
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
HUF(s)	Hindu Undivided Family(ies)
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India

Term	Description
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
ISIN	International Securities Identification Number
ISO	International Standards Organization
KW	Kilo Watt
LIBOR	London interbank offered rate
Ltd.	Limited
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NIFTY	National Stock Exchange Sensitive Index
No.	Number
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent account number
PAT	Profit after tax
PPP	Public private partnership
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
RBI	The Reserve Bank of India
RD	Recurring Deposit
Regulation S	Regulation S under the U.S. Securities Act
RoC or Registrar of Companies	The Registrar of Companies, Hyderabad situated at Telangana
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement

Term	Description
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI ICDR Regulations/ ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
SSI	Small Scale Industry
STT	Securities Transaction Tax
TPH	Tonnes per hour
Trademarks Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
US$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

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

Certain Conventions

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

All references herein to the "US", the "U.S." or the "United States" are to the United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia.

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

Financial Data

Unless stated or the context requires otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Statements. Our Restated Financial Statements comprises of the restated Statements of Assets and Liabilities for six months period ended September 30, 2021 and as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for six months period ended September 30, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, Notes to Restated Financial Information and Statement of Adjustments to Audited Financial Statements and the summary of significant accounting policies together with the annexures and notes thereto and the examination report, which have been prepared in accordance with Ind AS and restated in accordance with the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. For further information on our Company's financial information, see "*Financial Information*" beginning on page 177.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (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.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 months period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Red Herring Prospectus are to a calendar year.

Currency and Units of Presentation

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**U.S. Dollars**' are to United States Dollars, the official currency of the United States of America.
- '**EUR**' or '**€**' are to Euro, the official currency of the European Union.

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

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

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

The exchange rates of USD into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	Exchange Rate as on*			
	September 30, 2021	March 31, 2021	March 31, 2020(1)	March 29, 2019
1 USD	74.25	73.50	75.39	69.17

Source: www.fbil.org.in

(1) *Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and a Saturday, respectively.*

Industry and Market Data

The industry and market data set forth in this Red Herring Prospectus has been obtained or derived from the updated Company commissioned Marketysers Global Consulting Industry Report titled "India Steel & Steel Products Analysis & Forecast, 2026" dated February 10, 2022, which has been prepared by Marketysers Global Consulting LLP which has been exclusively prepared for the purpose of the issue and is commissioned and paid-for by our Company. For details of risks in relation to the Company commissioned Marketysers Global Consulting Industry Report, see "*Risk Factors – Industry information included in this Red Herring Prospectus has been derived from the Company commissioned Marketysers Global Consulting Industry Report.*" beginning on page 22. The Company commissioned Marketysers Global Consulting Industry Report is subject to the following disclaimer:

"*Reports and surveys are based purely on data or information accumulated from the authorized personals not limited to stakeholders and field marketing executives of reputed companies, Material, organizations or bodies. The information is also derived based on further discussion with subject matter experts heading the practice or at reputed companies.*

When placing an order with Marketysers Global Consulting, the buyer or user understands and agrees to use our analytical solutions or products for their internal use. We in no form extend permission to use the asset for general publication or disclose the content to a third party.

The data in our market research report should be used as indicative guidance only. Experts at Marketysers Global Consulting assert that no business including but not limited to investments should be made purely on the data presented in these reports. We highly recommend that business owners or stakeholders should seek professional advice before making a business decision.

Any resale, lending, disclosure or reproduction of this publication can only be made with prior written permission from Marketysers Global Consulting. Transmission and/or reproduction of this document by any means or in any form (includes photocopying, mechanical, electronic, recording or otherwise) are prohibited without the permission of Marketysers Global Consulting."

Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their completeness and underlying assumptions are not guaranteed. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

The extent to which the market and industry data presented in this Red Herring Prospectus is meaningful depends upon 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" beginning on page 22. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "*Basis for the Issue Price*" on page 92 includes information relating to our peer group companies. Accordingly, no investment decision should be made solely on the basis of this information.

Time

All references to time in this Red Herring Prospectus are to Indian Standard Time.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "propose", "project", "will", "will continue", "seek to", "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 statements regarding our expected financial conditions, results of operations, business plans and projects are 'forward – looking statement'. All statements in this Red Herring Prospectus that are not statements of historical fact are 'forward – looking statements'.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates 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 our 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, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Loss of any of our suppliers or a failure by our suppliers to deliver some of our primary raw materials;
- Continuing impact of the outbreak of the COVID-19;
- Dependence on stable and reliable logistics and transportation infrastructure;
- Volatility in the demand and pricing in the steel and steel products industry and the cyclical nature of the industries it serves;
- Volatility in the prices of raw materials and energy;
- Unexpected loss, shutdown or slowdown of operations at any of our manufacturing facilities;
- Our inability to successfully implement our expansion plans;
- Our inability to expand or effectively manage our distributors and dealers, or any disruptions in our distribution network; and
- Developments in the competitive environment in the steel and steel products industry, such as consolidation among our competitors.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, refer "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 125 and 263 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although we believe that the assumptions on which such forward-looking statements are based are reasonable, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions as well as statements based on them could prove to be inaccurate. Neither our Company, our Promoters, our Directors, the BRLM, Syndicates nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company and the BRLM will ensure that Bidders in India are informed of material developments from the date of registration of the Red Herring Prospectus with the RoC until receipt of final listing and trading approvals by the Stock Exchanges for the Issue.

SECTION II - SUMMARY OF THE ISSUE DOCUMENT

This section is a general summary of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this 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 Red Herring Prospectus, including the sections titled "Risk Factors", "Our Business", "Industry Overview", "Capital Structure", "The Issue" "Restated Financial Statements", "Objects of the Issue", "Our Promoters and Promoter Group", "Management's Discussions and Analysis of Financial Position and Results of Operations" and "Outstanding Litigation and Other Material Developments" beginning on pages 22, 125, 98, 64, 47, 177, 81, 169, 263 and 282 respectively of this Red Herring Prospectus.

Primary business of our Company

Our Company is an integrated manufacturer of Mild Steel (MS) Pipes, Scaffolding, HR Strips, MS Billets, and Sponge Iron.

Industry in which our Company operates

Our Company operates in the steel and steel products industry.

Name of Promoters

As on the date of this Red Herring Prospectus, our Promoters are Rupesh Kumar Gupta and Sailesh Gupta. For further details, see "*Our Promoters and Promoter Group*" at page 169.

Issue size

The following table summarizes the details of the Issue. For further details, see "*The Issue*" and "*Issue Structure*" beginning on pages 47 and 302, respectively.

Issue [(1)]	Up to 85,00,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to [●] lakhs

(1) *The Issue has been authorized by a resolution of our Board dated August 28, 2021 and has been authorized by a special resolution of our Shareholders, dated September 14, 2021.*

Objects of the Issue

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

(in ₹ lakhs)

Particulars	Amount
Funding capital expenditure requirements	5,005.03
Funding the working capital requirements of our Company*	4,000.00
General corporate purposes*	[●]
Total	**[●]**

**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 of the Issue.*

Aggregate pre-Issue Shareholding of our Promoters and Promoter Group

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

Sr. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Issue paid up Equity Share capital
Promoters			
1.	Rupesh Kumar Gupta	41,93,847	24.70%
2.	Sailesh Gupta	29,36,222	17.30%
	Total (A)	**71,30,069**	**42.00%**

Promoter Group			
3.	M/s. Ultra Pipes*	23,33,338	13.74%
4.	Ansh Commerce Private Limited	19,81,665	11.67%
5.	Rakesh Kumar Gupta	16,40,000	9.66%
6.	Sunita Gupta	10,75,720	6.34%
7.	Parul Gupta	9,05,968	5.34%
8.	Isha Gupta	6,44,000	3.79%
9.	Rakesh Kumar HUF	4,20,000	2.47%
10.	Ansh Golas	1,46,500	0.86%
11.	Anushka Golas	1,00,000	0.59%
12.	Yuvika Gupta	1,00,000	0.59%
13.	Lakshit Gupta	1,00,000	0.59%
14.	Anvesha Gupta	1,00,000	0.59%
15.	Shailesh Kumar HUF	28,000	0.16%
16.	Rupesh Kumar HUF	98,000	0.58%
17.	Reo Solutions Private Limited	19,444	0.11%
	Total (B)	**96,92,635**	**57.10%**
	Total (A) + (B)	**1,68,22,704**	**99.10%**

**Rupesh Kumar Gupta, Sailesh Gupta, Rakesh Kumar Gupta are beneficial owners of M/s Ultra Pipes.*

Financial Information

The following information has been derived from our Restated Financial Statements for six months period ended on September 30, 2021 and for the last three Fiscals 2021, 2020 and 2019:

(₹ in lakhs, except per share data)

Particulars	**For the six months period ended September 30, 2021**	**Financial Year**		
		March 31, 2021	**March 31, 2020**	**March 31, 2019**
Share capital	1,697.62	1,696.12	1,323.34	1,323.34
Other equity	6,674.55	5,382.82	3,506.55	2,285.69
Net worth*	8,372.17	7,078.94	4,829.89	3,609.03
Revenue from operations	20,087.10	25,413.89	16,077.69	13,359.61
Profit after tax	1,286.90	1,513.20	790.83	802.00
Earnings per Equity Share (basic)	15.12	10.64	5.98	7.34
Earnings per Equity Share (diluted)	15.12	9.80	5.93	7.34
Net asset value (per Equity Share)**	49.19	49.79	36.50	33.01
Total borrowings	8,831.49	8,017.49	6,816.58	5,582.05

**'Net worth' means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, net of pre-issue expenses, as per the restated statement of assets and liabilities of our Company in the Restated Financial Statements.*
*******'Net asset value' (per Equity Share) means Net Worth as restated divided by weighted average number of equity shares outstanding at the end of the year.*

For further details, see "*Restated Financial Statements*" beginning on page 177.

Auditor Qualifications or Adverse Remarks

There are no qualifications by our Statutory Auditors which have not been given effect to, in the Restated Financial Statements.

Outstanding Litigations

A summary of outstanding litigation proceedings as on the date of this Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

(₹ in lakhs)

	Nature of Proceedings	Number of outstanding proceedings	Amount involved
LITIGATIONS INVOLVING OUR COMPANY			
Outstanding legal proceedings against our Company			
	Civil Proceedings	1	10.11
Outstanding legal proceedings by our Company			
	Civil Proceedings	3	82.93
LITIGATIONS INVOLVING OUR PROMOTERS AND DIRECTORS			
Outstanding legal proceedings against our Promoters & Directors			
	Civil Proceedings		
	Our Promoter and Director, Rupesh Kumar Gupta	1	Not ascertainable
PENDING CLAIMS RELATED TO DIRECT AND INDIRECT TAXES INVOLVING OUR COMPANY, PROMOTERS AND DIRECTORS			
	Pending claims due to tax authorities from our Company – Direct Tax	3	592.71
Pending claims due to our Company from tax authorities			
	Direct Tax	1	24.00
	Indirect Tax	1	0.85
PENDING CLAIMS DUE TO TAX AUTHORITIES FROM OUR PROMOTER / DIRECTOR			
	Pending claims due to tax authorities from our Director, Sunita Gupta – Direct Tax	1	2.86
	Pending claims due to tax authorities from our Promoter and Director, Sailesh Gupta – Direct Tax	1	252.70

For further details, see "*Outstanding Litigation and Other Material Developments*" beginning on page 282.

Risk Factors

Investors should see "*Risk Factors*" beginning on page 22 to have an informed view before making an investment decision.

Summary of Contingent Liabilities

As on September 30, 2021, our Company does not have any contingent liabilities except as disclosed below. For further details, see "*Restated Financial Statements*" at page 177.

(₹ in lakhs)

Particulars	Amount
Bank Guarantee to Pollution Board & National Highway Excluding Financial Guarantee	1.31
Claims against the Company not acknowledged as debt	600.69

Related Party Transactions

We have entered into related party transactions with related parties. A summary of the related party transactions entered into by our Company for the six months period ended September 30, 2021 and for the Fiscals 2021, 2020 and 2019 as derived from Restated Financial Information is detailed below:

(₹ in lakhs)

Nature of transaction	For the six months period ended September 30, 2021	Fiscal		
		2021	2020	2019
(a) Employee benefit expenses				
(i) Salary	236.98	453.88	438.82	210.90
(ii) Post employment benefits	15.48	14.63	6.24	4.35

Nature of transaction	For the six months period ended September 30, 2021	Fiscal		
		2021	2020	2019
(iii) Key-insurance premium for KMP	-	40.00	40.00	40.00
(b) Directors' sitting fees	2.13	3.48	3.50	2.28
(c) Rent paid	8.40	16.80	16.80	11.80
(d) Sales of Goods	4,555.17	6,216.73	3,136.70	1,543.74
(e) Purchase of Goods	4,449.92	3,796.13	1,177.98	294.03
(f) Unsecured Loan Taken	64.50	117.00	357.49	474.10
(g) Unsecured Loan Repaid / Converted into Equity Shares	10.00	460.40	525.00	316.10
(h) Issue of Preference Share Capital	-	100.00	795.00	-
(i) Conversion of Preference Share Capital	-	895.00	-	-
(j) Issue of Equity Share Capital	0.40	364.53	-	233.33
(k)Advance to Employees	-	38.70	-	-
(l) Outstanding Unsecured Loan	251.66	197.16	540.56	708.07
(m) Trade Receivable	-	23.91	-	43.36
(n) Trade Payable	73.99	-	72.74	-

For further details, see "*Restated Financial Statements – Note 31 – Related Party Transactions and Disclosures*" at page 177.

Financing Arrangements

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

Weighted average price at which Equity Shares were acquired by each of our Promoters in the last one year.

No Equity Shares were acquired by our Promoters in the one year preceding the date of this Red Herring Prospectus.

Average Cost of Acquisition of Equity Shares by our Promoters

The average cost of acquisition of Equity Shares by our Promoters as at the date of this Red Herring Prospectus is set forth below:

Name of the Promoter	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹) #
Rupesh Kumar Gupta	41,93,847	7.53
Sailesh Gupta	29,36,222	11.72

As certified by Rakesh S. Jain & Associates, Chartered Accountants, by way of their certificate dated February 10, 2022.

For further details of the average cost of acquisition of Equity Shares by our Promoters, see "*Capital Structure – Build-up of our Promoters' shareholding in our Company*" at page 64.

Details of pre-Issue Placement

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

Issue of Equity Shares for consideration other than cash in the last one year

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

Split or Consolidation of Equity Shares in the last one year

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

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate in or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations, cash flows 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 suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. To obtain a more detailed understanding of our business and operations, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 125, 98 and 263, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. 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. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in the Issue.

Prospective investors should pay particular attention to the fact that we were incorporated under the laws of India and are subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 15.

Our financial information for the six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019 included in this Red Herring Prospectus, are prepared under Ind AS. References to "Restated Financial Statements" are to our restated financial information for the six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019. Financial information for the six months ended September 30, 2021 is not indicative of full year results of operations and is not comparable with the annual financial statements presented in this Red Herring Prospectus. Unless stated or the context requires otherwise, the financial information used in this section is derived from the Restated Financial Statements on page 177. For a discussion of our results of operations, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 263.

Risks Relating to Our Business and Industry

1. ***Our Company has not entered into long-term agreements with our customers for purchasing our products nor for the supply of raw materials with our suppliers. We are subject to uncertainties in demand and there is no assurance that these customers and suppliers will continue to purchase our products or sell raw materials to us or that they will not scale down their orders. This could impact the business and financial performance of our Company.***

   Our Company has been dealing with most of our customers for the past several years, but we have not entered into any long-term agreements with of our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Consequently, there is no commitment on the part of our customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find other customers for the surplus or excess capacity, in which case we may be forced to incur loss. Similarly, on the supply side as well we have been purchasing raw materials like Iron Ore through MSTC bidding portal or local suppliers. We also procure Sponge Iron from the local markets to meet our total Sponge Iron requirements. Our top 10 suppliers contributed 69.74%, 56.32%, 50.35% and 42.13% of total purchases for six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019 respectively. Further, our top 10 suppliers of raw materials includes a related party which has supplied 29.56%, 20.98%, 10.75% and 3.34% of cost of materials consumed for six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019, respectively. Our practice has been to place orders considering the demand-supply position which is also an industry practice. As a result, our customers and suppliers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business.

Consequently, our revenue may be subject to variability because of fluctuations in demand for our products and supply of raw materials. Our Company's customers have no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as customer satisfaction with the quality of our products, fluctuation in demand for our Company's products, customer's inventory management, amongst others. Our Company's suppliers have no obligation to accept our orders and may either cancel, reduce or delay orders. The orders placed by our Company on our suppliers are dependent on factors such as fluctuation in demand, supplier's inventory management and pricing amongst others.

Although, we have a strong emphasis on quality, timely delivery of our products and raw materials and personal interaction by the senior management with the customers and suppliers, any change in the buying pattern of buyers and preferences of suppliers can adversely affect the business and the profitability of our Company.

2. ***Raw materials and stores spares and consumables consumed constitute a significant percentage of our Company's total expenses. Any substantial increase in prices and any decrease in the supply would materially adversely affect our Company's business.***

Raw materials and stores consumed constitute a significant percentage of the total expenses of our Company. The cost of raw materials consumed accounted for 82.06%, 77.18%, 73.11% and 68.78% of total expenses for the six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019 respectively. The inventories includes materials, finished goods, stores, spares and consumables which have average holding period of 80-85 days. Further, our Company has integrated steel plant which manufactures finished products i.e. MS Pipes from Iron Ore through multiple stages of manufacturing such as Iron ore ---> sponge iron ---> billets ---> HR Strips ---> MS Pipes. Our Company uses the product manufactured at the first stage as a raw material for next stage of manufacturing for which average holding period is approximately 10-15 days at each stage and accordingly it takes around 40-45 days for raw material to pass through multiple stages (Iron ore ---> sponge iron ---> billets ---> HR Strips ---> MS Pipes). Further the finished goods of MS Pipes of various sizes are held for 40-45 days as finished goods inventory thus inventories comprising of raw material, finished goods, stores, spares and consumable have average holding period of 80-85 days. Any substantial increase in the price of raw materials or stores consumed, which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business. We are exposed to the price risk associated with purchasing our raw materials or stores consumed, which form the highest component of our expenses. We mainly secure Iron Ore from the MSTC bidding portal and some local suppliers and place our orders based on demand estimates and orders in hand. The period between procurement of raw material and conversion into finished products is not more than 15 days. This short period of production time between raw material stage and final product reduces the chances of any substantial change in the price of raw material and the price of the final product. Further, we sell our finished products in the market at the prevailing rate which includes any fluctuations/volatility in prices of raw materials and stores consumed. We do not have any policy to hedge the fluctuations / volatility in prices of raw materials and stores consumed. Any material shortage or interruption in the domestic and international supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that our Company which we may not be able to pass on to customers, which in turn would have a material adverse effect on our Company's business.

3. ***We have historically derived, and may continue to derive, a significant portion of our income from our top 10 customers.***

Our top 10 customers represented 62.37%, 60.74% and 49.78%, respectively, of our revenue from operation for six months period ended September 30, 2021 and for Fiscal 2021 and Fiscal 2020, respectively. Further, our largest customer represented 24.18%, 24.46% and 19.51% of our revenue from operations for six months period ended September 30, 2021 and for Fiscal 2021 and Fiscal 2020, respectively.

We typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

4. ***The demand and pricing in the steel and steel products industry is volatile and is sensitive to the cyclical nature of the industries it serves. A decrease in steel prices may have a material adverse effect on our business, results of operations, prospects and financial condition.***

Steel prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of steel and steel products, international production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as, the construction and machinery industries. When downturns occur in these economies or sectors, we may experience decreased demand for our products, which may lead to a decrease in steel and steel product prices, which may, in turn, have a material adverse effect on our business, results of operations, financial condition and prospects.

Low steel prices adversely affect the businesses and results of operations of steel product producers generally, including ours, resulting in lower revenue and margins and write-downs of products and raw material inventories. In addition, the volatility, length and nature of business cycles affecting the steel and steel products industry have become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on our business, results of operations, financial condition and prospects. In addition, substantial decreases in steel and steel product prices during periods of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery will require a broad economic recovery, in order to underpin an increase in real demand for steel and steel products by end users.

5. ***The steel and steel products industry is characterized by volatility in the prices of raw materials and energy which could adversely affect our profitability.***

Steel and steel products production requires substantial amounts of raw materials and energy, including iron ore, iron ore fines, sponge iron, scrap and power, which are subject to significant price volatility. The production of steel and steel products is capital intensive, with a high proportion of fixed costs to total costs. The proportion of fixed costs to total costs in our total production for six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019 is 5.39%, 4.37%, 4.71% and 2.58%, respectively. Consequently, steel products producers generally seek to maintain high capacity utilization. If capacity exceeds demand, there is a tendency for prices to fall sharply if supply is largely maintained. Conversely, expansion of capacity requires long lead times so that, if demand grows strongly, prices increase rapidly, as unutilized capacity cannot be brought on line as quickly. The result can be substantial price volatility.

We may be negatively affected by significant price volatility, particularly in the event of excess production capacity in the global steel market and incur operating losses as a result.

6. **If we are unable to successfully implement our proposed expansion plans our results of operations and financial condition could be adversely affected.**

Our Company is planning to build scale and expand its portfolio of value-added products. From the Net Proceeds of the Issue, we will be deploying funds for setting up of two (2) additional pipe mills adjacent to our existing Unit I. This expansion will increase our capacity from the present 84,000 MTPA to 1,32,000 MTPA. We will also be expanding our Furnace Unit capacity which will enhance our production capacity to the extent of 1,04,232 MTPA from the existing capacity of 95,832 MTPA.

These expansion projects, to the extent that they proceed, would involve risks, including risks associated with the timely completion of these projects, and our failure to adequately manage these risks notwithstanding our upgraded operational and financial systems, procedures and controls could have a material adverse effect on our business, financial condition, results of operations and prospects. Factors that could affect our ability to complete these projects on time, include completing the project / civil construction, receiving the machineries of desired quality and on the scheduled time, a decline in demand for our products and general economic conditions. We may have to revise our schedule of implementation and completion of these expansion projects on account of a various factors including delay in Issue process, market conditions, negotiation with suppliers and other external factors. This may entail rescheduling of implementation of these proposed expansion projects. Our Company is setting up the proposed expansion projects on the land adjacent to the existing Unit I and material approvals and licenses for the existing Unit I will be applicable for the proposed expansion project. Therefore, there is less scope for delay in completion of the projects and escalation in costs of the proposed expansion projects. For details on estimated schedule of implementation of proposed expansion project, please refer section "*Object of Issue - Proposed schedule of implementation and deployment of Net Proceeds – Estimated Schedule of commencement and completion*" on page 81 of this Red Herring Prospectus.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to attract, expand, train, motivate, retain and manage our workforce.

We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of these factors may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we will be able to execute our strategies on time and within the budget estimated by the Company. In addition, our expansion plans have not been appraised by any independent or third party agency, and accordingly, in the absence of such independent appraisal, our expansion plans may be subject to change based on various factors which are beyond our control.

7. ***Our Company had negative cash flows in recent Fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

Our Company had negative cash flows in recent Fiscals/ periods, details of which are given below:

(₹ in lakhs)

Cash flow from	For six months period ended on September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Operating Activities	(150.26)	1,042.61	51.62	321.90
Investing activities	(318.37)	(2,346.91)	(1,203.90)	(3,189.25)
Net increase in cash and cash equivalents	(66.34)	(95.07)	(231.16)	368.09

The cash flows of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details please refer to the section titled "Restated Financial Statements" and section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 177 and 263 respectively, of this Red Herring Prospectus.

8. ***Our manufacturing Units are situated in Mahabubnagar District, Telangana and Anantapur District, Andhra Pradesh and our operations may be affected by various factors associated with the region where we operate.***

Our manufacturing Units are located in the state of Telangana and Andhra Pradesh and sell our products in the Southern Indian region. This concentration of our business in Southern India, subjects us to various risks, including but not limited to the following risks:

- regional slowdown in construction activities or reduction of infrastructure projects in Southern India;
- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Southern India;
- constraints on our ability to diversify across states;

- perception by our potential clients, that we are a regional steel products manufacturing company, which hampers us from competing against other large steel products manufacturing companies at a national level.

Further, since our manufacturing operations are concentrated in Telangana and Andhra Pradesh any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the steel and steel products industry in Telangana and Andhra Pradesh and end user industry in geographically contiguous states.

9. ***The value of our brand "HARIOM PIPES" may be diluted if low quality counterfeit products under our brand name are sold in our markets.***

Our brand "HARIOM PIPES" is an important asset to us and most of our MS Pipes are inscribed with our brand "HARIOM PIPES" on them. We believe our brand serves in attracting customers to our products over those of our competitors. Our products are marketed across Southern and Western India under our brand. We believe in continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives and is important to increase our sales and revenues, grow our existing market share and expand into new markets. We believe that our brand commands a strong brand recall in the Southern and Western Indian markets due to our long presence. Decrease in product quality due to reasons beyond our control or allegations of product defects, even when false or unfounded, could tarnish the image of our brand and may cause customers to choose other products. As a result, any adverse publicity involving our brand, our products or us may impair our reputation, dilute the impact of our branding and marketing initiatives including digital/social media marketing and adversely affect our business and our prospects.

10. ***Our business is seasonal in nature and therefore our results of operations for any quarter in a given year may not, therefore, be comparable with other quarters in that year.***

Demand for our products is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. As a result, we usually experience relatively weaker sales volume during the monsoon, and somewhat stronger sales in other seasons. We expect our results of operations will continue to be affected by seasonality in the future. Our results of operations for any quarter in a given year may not, therefore, be comparable with other quarters in that year.

11. ***Disruption of third party mining operations could adversely impact our ability to obtain raw materials at reasonable prices and may have a significant adverse impact on our business and results of operations.***

We do not own any iron ore mines and source our Iron Ore requirements through the MSTC bidding portal and local suppliers. Our Unit II which produces Sponge Iron from Iron Ore is located near Bellary, which is one of the hubs in South India for iron ore production.

Iron Ore prices have been impacted by restrictions on the usage of mining rights resulting in failure to extract required amounts of iron ore, or applicable environmental standards are substantially increased or royalties are increased to significant levels, or the security situation in the areas where mines are located deteriorate significantly. Though we have not faced any instances of the non-availability of raw materials in the past due to disruptions in usage of third party mining rights, we may, in future face such disruptions to obtain the raw materials. Further, our ability to operate our manufacturing Units could be disrupted until raw materials are available at our price points, which could materially and adversely affect our business, financial condition and results of operations.

12. ***Our operations are subject to environmental and workers' health and safety laws and regulations. We may have to incur material costs to comply with these regulations or suffer material liabilities or damages in the event of an incidence or non-compliance of environmental laws and regulations which may have a material adverse effect on our business, financial condition and results of operations.***

Our operations are subject to extensive environmental and hazardous waste management laws and regulations in India, including the Environmental Protection Act, 1986, as amended (the "Environment Act"), the Air

(Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”), the Water (Prevention and Control of Pollution) Act, 1974, as amended (the “Water Act”) and other regulations promulgated by the MoEF and various statutory and regulatory authorities and agencies in India. Our industry is subject to strict regulations with respect to a range of environmental matters including licensing requirements, management of materials used in manufacturing activities, the storage of inflammable and hazardous substances and associated risks, the storage, treatment and disposal of wastes, remediation of contaminated soil and groundwater, air quality standards, water pollution and discharge of hazardous materials into the environment. The discharge or emission of dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liabilities towards the government and third parties and may result in our incurring costs to remedy any such discharge or emissions.

The impact of these laws and regulations, or any changes to such laws or regulations, may be significant and may delay in the commencement of, or cause interruptions to, our operations. We have complied with all such applicable environmental laws and regulations in the past except as mentioned below:

Telangana State Pollution Control Board (“TSPCB”) vide their letter dated June 1, 2021 has observed following non-compliances in respect of our Unit I:

1. The online stack monitoring system is not connected to TSPCB Website;
2. As per Consent to Operate (“CFO”) order, the Company has consented to operate one Induction furnace of 15 MT capacity. However, the Company has installed additional Induction furnace before obtaining Environmental Clearance (“EC”) and without obtaining Consent to Establish (“CFE”);
3. The Company has not provided cladding to the slag crusher conveyor belt;
4. The Company is not maintaining records of water consumption;
5. The Company has not submitted solid waste generation and disposal details and energy consumption records; and
6. The Company has submitted the Bank Guarantee (BG) of ₹ 4 Lakhs as per the TSPCB directions for a period up to August 5, 2020. The Company has not extended the BG further.

Subsequently based on the above observations, we have complied with the following:

1. We have corrected the issue of disconnection of online stack monitoring system with TSPCB Website;
2. We have installed additional induction furnace which was not operational. Accordingly, we have given commitment to TSPCB our additional induction furnace will get operational only after obtaining CFE and CFO;
3. We have given commitment to provide cladding to the slag crusher conveyor belt;
4. We have confirmed that we are maintaining records of water consumption for domestic and industrial usage;
5. We have informed that, we generally crushes the slag which is generated at the time of manufacturing of our products, in a crusher and also remove iron particles by using magnetic separators. Thereafter, we use the residue (sand) for filing low lying areas. We further informed TSPCB that, daily records with details such as initial reading, final reading and consumption, for energy consumption maintained by us has been maintained; and
6. We have submitted a request to Joint Chief Environmental Engineer, TSPCB to consider grant of waiver to extend the Bank Guarantee as we were facing certain issues because of Covid-19 pandemic including, difficulties in getting labour, compulsory bank obligations, electricity issues, etc.

Further, we communicated the above compliances made by us to TSPCB on June 14, 2021 on the observations issued by TSPCB. Accordingly, TSPCB has verified the compliances and issued us with copy of CFE with enhanced licensed capacity for Unit I on July 28, 2021.

However, on August 13, 2021, TSPCB invoked bank guarantee of ₹4 Lakhs submitted by the Company with TSPCB.

There can be no assurance that in future, such non-compliances with environmental laws and regulations will not be repeated.

Our manufacturing facilities are being inspected on regular basis by the TSPCB. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of production or a material increase in the costs of production or otherwise have a material adverse effect on our financial condition and results of operations. Environmental laws and regulations in India have become increasingly stringent, and it is possible that they will become significantly more stringent in the future. If any of our manufacturing facilities or the operations of such manufacturing facilities are shut down, we may continue to incur costs in complying with regulations, appealing any decision to close our facilities, maintaining production at our existing facilities and continuing to pay labour and other costs which may continue even if the facility is closed. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations may impose new liabilities on us or result in the need for additional compliance requirements and additional investment in environmental protection equipment, either of which could adversely affect our operations, financial condition or business prospects.

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

Our contingent liabilities for six months period ended September 30, 2021 and as at March 31, 2021, March 31, 2020 and March 31, 2019, were as follows:

(₹ in lakhs)

Particulars	**For six months period ended September 30, 2021**	**For Fiscal**		
		Fiscal 2021	**Fiscal 2020**	**Fiscal 2019**
Contingent Liability classified as				
1) Claims against the Company not acknowledged as debt	600.69	600.69	593.13	38.98
2) Guarantees Excluding Financial Guarantees	1.31	5.31	4.82	1.31
Total	**602.00**	**606.00**	**597.95**	**40.29**

We cannot assure you that these contingent liabilities will not become established as liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our financial condition and results of operations.

14. ***There are outstanding legal proceedings involving our Company, Promoters and certain Directors which may adversely affect our business, financial condition and results of operations.***

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. For details in relation to certain material litigation, please see the section entitled "*Outstanding Litigation and Material Developments*" beginning on page 282. A summary of the outstanding proceedings involving our Company, our Promoters and Directors as disclosed in this Red Herring Prospectus, to the extent quantifiable, have been set out below:

(₹ in lakhs)

	Nature of Proceedings	**Number of outstanding proceedings**	**Amount involved**
LITIGATIONS INVOLVING OUR COMPANY			
Outstanding legal proceedings against our Company			
	Civil Proceedings	1	10.11
Outstanding legal proceedings by our Company			
	Civil Proceedings	3	82.93
LITIGATIONS INVOLVING OUR PROMOTERS AND DIRECTORS			
Outstanding legal proceedings against our Promoters & Directors			
	Civil Proceedings		
	Our Promoter and Director, Rupesh Kumar Gupta	1	Not ascertainable

	Nature of Proceedings	Number of outstanding proceedings	Amount involved
PENDING CLAIMS RELATED TO DIRECT AND INDIRECT TAXES INVOLVING OUR COMPANY, PROMOTERS AND DIRECTORS			
	Pending claims due to tax authorities from our Company – Direct Tax	3	592.71
Pending claims due to our Company from tax authorities			
	Direct Tax	1	24.00
	Indirect Tax	1	0.85
Pending Claims Due To Tax Authorities from Our Promoter / Director			
	Pending claims due to tax authorities from our Director, Sunita Gupta – Direct Tax	1	2.86
	Pending claims due to tax authorities from our Promoter and Director, Sailesh Gupta – Direct Tax	1	252.70

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to section titled *"Outstanding Litigation and Material Developments"* beginning on page 282 of this Red Herring Prospectus.

15. ***Absence of large customers and dependence on smaller customers increases uncertainty of demand which may have an adverse impact on our business operations and financial performance.***

We mainly supply our products viz. MS Pipes and Scaffoldings to the Southern and Western India markets through our distributors and dealers. Reliance on large number of small customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders, failure to negotiate favourable terms with customer, the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. Further, there is no guarantee that we will retain the business of our existing customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to accept terms to such customers which we may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers supply chain strategies or a reduction in their consumption or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers. Maintaining strong relationships with our distributors and dealers and through them the end customers is, therefore, essential to our business strategy and to the growth of our business. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Further, a decline in our customers' business performance may lead to a corresponding decrease in demand for our products. Consequently, the loss of existing customers and our inability to acquire new customers, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers or secure new customers to offset any loss of revenue from the loss of our existing customers. As a consequence of our reliance on a variety of customers, any adverse change in the financial condition of these customers may also have an adverse effect on our business, financial condition, results of operations, cash flows and future benefits.

16. ***We sell our products through a large network of distributors and dealers. Any payment delay or default in payments or deficiency in services, by any of our channel partners, could adversely affect us, our goodwill, operations, and profitability.***

We mainly sell our products viz. MS Pipes and Scaffoldings through a large network of distributors and dealers. We sell our products in the retail segment through a well-established and effectively managed dealer distribution network and as on January 31, 2022, our distribution network comprised of over two hundred (200) distributors and dealers. We have not entered into any exclusive arrangements with our distributors and dealers to exclusively sell our MS Pipes and Scaffoldings. While, there has been no instances of any dispute with any of our distributors and dealers in the last three fiscals which has had material adverse impact on our financial and result of operations, we cannot assure you that we will not be impacted by such instances going forward. While we strive to operate on immediate payment terms, and at times with partial or full advance payment terms, but there is no guarantee that our distributors and dealers will not default on their payments.

We extend credit periods to our distributors and dealers and we cannot guarantee that our distributors and dealers will not default on their payments which might adversely affect our profits margins and cash flows. An inability to collect receivables in a timely manner or at all, could adversely affect our working capital cycle, and cash flow. Our ability to increase our market outreach significantly depends on our ability to expand and effectively manage our dealer distribution network on acceptable pricing terms. Although we generally endeavour to obtain favourable pricing terms in arrangements and contracts when engaging with our service providers, market conditions at the time of negotiating such contracts and arrangements may result in us accepting less favourable pricing terms. There is no assurance that we will be able to maintain our existing distribution network or successfully engage new distributors and dealers in the future. Owing to constant competition, we may be unable to enter into favourable terms with our distributors and dealers leading to a decline or stagnation of our distribution network. Any disruption in our supply chain dynamics, or reduction or cancellation of purchase orders from our distributors and dealers or our customers at any point in time, or failure in appointing new channel partners, or termination or non-renewal of distribution agreements by the distributors, could have a material adverse effect on our operations and financial condition.

17. ***Developments in the competitive environment in the steel and steel products industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.***

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, changes in manufacturing technology, workforce skill and productivity, operating costs, pricing power with our buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from global and domestic steel and steel products producers with expanded production capacities and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us. Further, changes in India's debt restructuring and insolvency laws, including the Insolvency and Bankruptcy Code, 2016, has led to consolidation among our competitors. In addition, our competitors may have lower leverage and/ or access to cheaper sources of funding. Larger competitors may also use their resources, which may be greater than ours, against us in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity and displacing demand for our products. The market is still highly fragmented, and if the trend towards consolidation continues, we could be placed in a disadvantageous competitive position relative to other steel product producers and our business, results of operations, financial condition and prospects could be materially and adversely affected. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete.

18. ***Our success largely depends upon the services of our senior management and other Key Managerial Personnel (KMP) and our ability to attract and retain them. Demand for senior management personnel in the industry is intense and our inability to attract and retain our KMP may affect the operations of our Company.***

Our Key Managerial Personnel have substantially contributed for our growth. Our success is substantially dependent on the expertise and services of our Directors and Key Managerial Personnel. They provide expertise which enables us to take well informed decisions in relation to our business and prepare our Company for future challenges. Our future performance will depend upon the continued services of these persons. Demand for senior management personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

19. ***We do not own our Registered Office, Corporate Office and Part of the Unit I land and any revocation or adverse changes in the terms of the leave and license/lease may have an adverse effect on our business, prospects, results of operations and financial condition.***

We have entered into a leave and license agreement in respect of our Registered Office situated at 1st Floor, Samarpan, Door No. 3-4-174/12/2, Lane beside Spencer's, Pillar No. 125, Attapur, Rajendranagar, Hyderabad – 500030 and Corporate Office situated at 2nd Floor, Samarpan, Door No. 3-4-174/12/2, Lane beside Spencer's, Pillar No. 125, Attapur, Rajendranagar, Hyderabad – 500030. Part of our Unit I land is owned by us and the balance is owned by our Promoter, Sailesh Gupta. These leave and licenses arrangements have limited validity. If the owner of the premises, which are our Promoter/ Promoter Group Entity, revoke this agreement or impose terms and conditions that are unfavourable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

For further details, see the section titled "*Our Business — Properties/ Land details*" on page 141.

20. ***Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of products, which could harm our business.***

    We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of our products. This unavailability of our products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of our products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

21. ***Our customers may be unable to pay their debts due to local economic conditions, which may affect payment for our products used by them on credit leading to adversely affecting our business, financial condition and results of operations.***

    Generally, we sell our products against future payment with credit terms varying according to local market practice. Our credit terms vary from 15 days to 71 days. However, our distributors and dealers may be adversely affected by a number of factors beyond their control which could affect their financial condition and consequently their ability to pay us for products that have sold or are present in their inventory. Although losses in these respects have historically been limited, in periods of declining economic conditions and sustained adverse weather, there can be no assurance that such losses will not be material, which may have an adverse effect on our business, financial condition and results of operations. Additionally, in the event of any dispute or a default regarding our payments, we would have to initiate appropriate recovery proceedings. Inability to collect dues because of delays or defaults in payments by customers could have an adverse effect on our business, financial condition and results of operations.

22. ***If we do not continue to invest in new technologies and equipment, our technologies and equipment may become obsolete and our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.***

    We believe that going forward, our profitability and competitiveness will depend in large part on our ability to maintain low cost of operations, including our ability to process and supply sufficient quantities of our products as per the agreed specifications. If we are unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt our technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

23. ***Fluctuations in the prices of commodities may affect the sales of our steel products and our results of operations.***

    We are also affected by movements in prices of metals, which may vary as a result of, among other things, quality and availability of supply, domestic and international prices, currency fluctuations, consumer demand and changes in government programs. Such movements may affect our customers decisions on purchase of our products which may affect the sales of our products and our results of operations. If prices of metal rise, our customers generally reduce their spending on metal related products and prefer available alternatives which could have an adverse effect on our business, financial condition and results of operations.

24. ***Our inability to respond adequately to increased competition may adversely affect our business, financial condition and results of operations.***

We compete with several domestic companies, as well as large multi-national companies with broader product ranges, greater brand recognition, stronger sales forces and greater financial resources and experience, including a larger budget for advertising and marketing. Some of our competitors may develop alliances to compete against us. Our competitors in the Southern Indian region may also have better access or exclusive arrangements to distribute products and may be able to sell their products at lower prices. We also face competition from new entrants and the unorganized market who may have more flexibility in responding to changing business and economic conditions. The basis of competition includes, among other things, pricing, innovation, perceived value, brand recognition, promotional activities, advertising, special events, new product introductions, customer service and other activities. We have experienced price competition in the past, and there can be no assurance that such price competition will not recur in the future. Growing competition may force us to reduce the prices of our products, which may reduce revenues and margins and/or decrease our market share, either of which could affect our results of operations. Our competitors may succeed in developing technologies, processes and products that are more effective and/or more cost effective than the ones that we may develop. These developments could render our technologies, processes or products obsolete or uncompetitive, which would harm our business and financial results. We expect competition to continue to be intense as our existing competitors expand their operations and introduce new products. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability. As a result, there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors, which may adversely affect our business, financial condition and results of operations.

25. ***Our manufacturing process involves extreme heat and fire. In the event of any accidents, our Company may be held liable for damages and penalties which may impact the financials of our Company.***

Our employees/labour may be required to work under potentially dangerous circumstances in the operation of our manufacturing Units associated with the handling, storage, movement and production of our Products, as well as accidents such as fire and explosions. Any mishandling of our equipment and machineries could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities.. We have taken group accident insurance policy covering our employees working at our manufacturing Units. While we believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents, to the extent that we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. Such accidents have the potential to adversely impact our financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

For further details of our insurance coverage, see the section titled "*Our Business — Insurance*" on page 142.

26. ***We face substantial competition from Indian steel and steel products producers, which may affect our prospects.***

The Indian steel and steel products industry is highly competitive. We compete to varying degrees with other Indian MS Pipe and Scaffolding manufacturers. Competing producers have increased their manufacturing capacity and we expect domestic competition to further intensify with the ramping up of new manufacturing plants by these competitors. Some of our domestic competitors may possess an advantage over us due to various reasons, such as captive raw material sources, greater economies of scale, integrated manufacturing plants, specialization in production of value-added or niche products, stronger distribution network and greater presence in certain markets. Maintaining or increasing our market share will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry, including our ability to improve our manufacturing process and techniques, introduce new products, respond to pricing strategies of our competitors, and adapt to changes in technology and changes in customer preferences. Failure by us to compete effectively could have a material adverse effect on our business, financial condition and results of operations. We may also face competition from new companies that are emerging which may attempt to obtain a share in our existing markets. These factors, among others, have intensified the competition from domestic steel products players and there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition with respect to our activities may not have an adverse effect on our business, financial condition and results of operations.

27. ***Conflict of interest may arise out of common business objects shared by our Company and our Group Entity.***

Our Promoter group entity, namely M/s. Ultra Pipes, is in the business of manufacturing, marketing and selling MS Pipes ("Ultra Pipes Business"). Our Company, among other products also manufactures MS Pipes. As a result, there may be conflict of interests in allocating business opportunities between us and the Promoter group entity. However, M/s. Ultra Pipes is currently involved in manufacturing limited sizes and types of MS Pipes which are not presently being manufactured by us. Moreover, the HR Strips used by M/s. Ultra Pipes is being supplied by our Company. Our Promoters have entered into an Agreement with our Company to not to undertake any business (directly and indirectly) in M/s. Ultra Pipes which competes in any manner with the business undertaken by our Company. The Promoters have also undertaken that they will not expand or increase the Ultra Pipes Business and enter into the business of the Company anytime in the future either through M/s. Ultra Pipes or any other entity. Any violation, non-compliance (whether in whole or in part) or unenforceability of such obligations may have an adverse effect on the results of our operations and financial condition.

28. ***Steel products manufacturing is a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.***

Our Company's activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please refer to the paragraph titled *'Our Business – Human Resources'* on page 141 of this Red Herring Prospectus.

29. ***The loss resulting from shutdown of operations at any of our manufacturing Units could have an adverse effect on our Company.***

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, industrial accidents. Our manufacturing facilities use complex equipment and machinery, and the breakdown or failure of equipment or machinery may result in us having to make repairs or procure replacements which may require considerable time and expense. Although, our Company has not had such incident in the past and while we also have insurance cover for all our facilities, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected. For further details, see the section titled "*Our Business — Insurance*" on page 142.

30. ***Our business is dependent on our manufacturing Units which are geographically located in Telangana and Andhra Pradesh. Any shutdown of operations in Telangana and/or Andhra Pradesh may have an adverse effect on our business and results of operations.***

Our integrated plant at Mahabubnagar District in Telangana (Unit I) manufactures finished steel products from iron scrap and Sponge Iron and our other plant at Anantapur District, Andhra Pradesh (Unit II) exclusively manufactures Sponge Iron. These facilities are subject to the normal risks of industrial production, including natural disasters, directives from government agencies and power interruptions. Any extended power supply interruption will result in reduced production at the affected facility. We depend on TSSPDCL for the supply of power to Unit I and SPDCAPL for the supply of power to Unit II. Any shortage or interruption in the supply of electricity may adversely affect our operations and increase our production costs. This could lead to delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationships. As we do not carry business interruption insurance, any disruption that affects our operations will adversely affect our business, financial condition and results of operations.

31. Any reduction in the demand for our products could lead to underutilization of our manufacturing capacity. We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial condition and cash flows.

We face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by customers could adversely affect our results of operations by reducing our sales volume leading to a reduced utilization of our existing manufacturing capacity.

Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand For certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows.

32. Our operations are dependent on our furnaces, machines, and equipment for manufacturing our products. Any breakdown, failure or malfunction may have an adverse effect on our business and results of operations.

Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace such malfunctioning machinery. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down our facilities for capacity expansion and equipment upgrades. Any interruption to production at any of our facilities could significantly reduce our production volumes and consequently our sales revenue. There can be no assurance that there will not be any recurrence of such disruptions in our operations in the future. If we are unable to effectively respond to such events and rectify any disruption in a timely manner and at an acceptable cost, such events could lead to the slowdown or shutdown of our operations or the under-utilization of our manufacturing facilities.

33. Information relating to estimated installed capacities of our manufacturing facilities is based on various assumptions and estimates and actual production may differ significantly from such estimated capacities.

The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase capacity to meet the anticipated demand of our customers or significantly reduce production of certain products depending on potential orders. Therefore, there could be a significant difference in the installed capacity and the production of our products due to the variety of products that we manufacture. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed.

Therefore, the information provided in this DRHP on installed capacities and the data on actual production may differ significantly. For further details, see the section titled "*Our Business*" on page 125.

34. The installed capacity of our manufacturing Units has not been fully utilized and could impair our ability to fully absorb fixed costs.

The installed capacity of manufacturing units is the maximum productive capacity according to the manufacturers' specification of machines / equipment whereas, our licensed capacity is the approved production capacity of our manufacturing units by pollution control authorities. Our utilised capacity signifies the volume of production achieved in relation to installed capacity and licenced capacity whichever is less.

Presently licensed capacity of our furnace mill operations is 3,43,200 MTPA which is more than installed capacity i.e. 95,832 MTPA. For our piping mill unit, approval from state pollution control board is not required since it is covered under schedule IV and II of Water (Prevention and Control Pollution) Rules 1994 and Air (Prevention and Control Pollution) Rules 1994, respectively. Presently, the installed capacity of our Piping mill unit is 84,000 MTPA and after the expansion of the proposed pipe mills, its installed capacity would increase to 1,32,000 MTPA. Hence, the Company will be able to fully deploy the funds towards the proposed capital expenditure.

The installed capacity of our manufacturing Units have not been fully utilized, over the last three financial years since the licenced capacity was less than the installed capacity. If we are unable to utilise optimum level of our installed capacity of our manufacturing facilities in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company. For further details of our production and capacity utilization, please see the section titled "*Our Business*" on page 136.

35. ***Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations***.

Our Company uses third party transportation providers for the supply of our raw materials and delivery of our products to our domestic customers. Though, our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation. An increase in the freight costs or unavailability of freight for transportation may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair the supply raw materials to our Units and our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

36. ***We depend on our distribution network to sell our Products to our customers and our inability to manage our distributors and dealers could hamper our business, financial condition and our results of operations.***

We rely to a significant extent on the relationships we have with our third-party distributors and dealers, as they lay a significant role in enhancing customer awareness of our products and maintaining our brand name. As of January 31, 2022, we had over 200 distributors and dealers mainly in Southern India. We may not be able to effectively manage our existing distribution network as we do not have any long-term contracts with any of our dealers. We are also exposed to the risk of our dealers failing to obtain requisite licenses and selling permissions or adhering to the standards in respect of sales and after-sales service in their direct contacts with customers, which in turn could adversely affect our customers' perception of our brand and products. In addition, although we provide certain incentive schemes to our dealers, we may not be able to effectively implement them across our network. If our competitors provide more favourable incentives, our distributors and dealers may be persuaded to decline to distribute our products and promote the products of our competitors instead and we may be unable to appoint a replacement in their place in a timely manner. In addition, any failure to provide our distributors and dealers with sufficient inventories of our products may lead to a reduction in the sales of our products. We seek to increase the penetration of our products by expanding our distributors and dealer network targeted at different customer groups and geographies. There can be no assurance that we will be able to successfully identify or appoint new dealers. Our competitors may have exclusive arrangements with certain dealers who may be unable to stock and distribute our products, which may limit our ability to expand our distribution network as we typically do not have exclusive arrangements with our dealers. If we are unable to effectively manage our distribution network, our business, financial condition and results of operations may be adversely affected.

37. ***Our business and profitability will suffer if we fail to anticipate and develop new value added products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus.***

To compete successfully in the industry, we must be able to identify and respond to changing demands and preferences, as well as operate within substantial production and delivery constraints. Changes in product mix impacts our operating results and our margins. We cannot assure you that our products will always gain buyer acceptance and we will always be able to achieve competitive products to meet customer expectations. Failure to identify and respond to changes in consumer preferences could, among other things, limit our ability to differentiate our products, adversely affect consumer acceptance of our products, and lower sales and gross margins. Further, products, that are developed by our competitors may render our offerings uncompetitive or force us to reduce prices, thereby adversely affecting our margins. Any of these factors could have a material adverse effect on our business and results of operations.

38. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.

In late calendar 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then the virus has progressively spread globally to many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, certain restrictions were relaxed from June 8, 2020 and continue to be relaxed till date in a phased manner by both the Central and State Governments. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional. Manufacturing at our Units were shut down temporarily for some days in the beginning of the lockdown. During the initial stages of the lockdown we faced limited availability of labour, supply chain constraints and logistical problems, thereby causing our Unit I to operate at a sub-optimal capacity in the month of April, 2020. We also faced limitation on transportation of our products from Unit I and the operation of our offices and branches were also adversely affected amidst the lockdown and public transport restrictions. Our county has also faced two waves of Covid 19 and there is an imminent possibility of a third wave. There is no certainty if additional restrictions will be put back in place or if another lockdown would be imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facility or our offices, as may be necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in Southern India, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

39. We are exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems.

We have deployed information technology systems and accounting system (ERP software) that helps to integrate and support our business processes, including sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. Our ERP software is under annual maintenance contract for providing regular IT support and also ensure regular updates resulting in smooth running of the software. Although we carry out periodic security checks, these systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Though there have been no instances of security breaches in the past, inability to prevent such data security breaches in future could lead to the loss of trade secrets and the data related to our products and other proprietary information could be compromised.

These systems are also susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

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

Currently, our borrowing facilities availed from the bank are rated by a credit rating agency. The credit ratings assigned by CRISIL Limited to bank facilities availed by our Company for Fiscal 2022, Fiscal 2021 and Fiscal 2020 have been mentioned below:

Type of credit rating	Fiscal 2022	Fiscal 2021	Fiscal 2020
Long - term rating	CRISIL BBB+/ Stable (Upgraded from 'CRISIL BBB/ Stable')	CRISIL BBB/ Stable (Assigned; Suspension Revoked	CRISIL BBB/ Stable (Assigned; Suspension Revoked
Short - term rating	CRISIL A2 (Upgraded from 'CRISIL A3+')	CRISIL A3+	CRISIL A3+ (Assigned; Suspension Revoked

Though the ratings have not been downgraded in the past three years, any downgrade in our credit ratings by rating agencies in future may increase our costs of accessing funds in the capital markets and adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures or other purposes and the trading price of the Equity Shares.

41. Industry information included in this Red Herring Prospectus has been derived from the Company commissioned Marketysers Global Consulting Industry Report.

This Red Herring Prospectus includes information from the updated Company commissioned Marketysers Global Consulting Industry Report titled "*India Steel & Steel Products Analysis & Forecast, 2026*" dated February 10, 2022, which has been exclusively prepared for the purpose of the issue and is commissioned and paid-for by our Company. Marketysers Global Consulting LLP has advised that, while it has taken due care and caution in preparing its report based on public information and industry and statistical data information obtained from sources which it considers reliable, it does not guarantee the adequacy or completeness of such information and is not liable for any loss or damage suffered because of reliance on the information contained in the report. The Company commissioned Marketysers Global Consulting Industry Report highlights certain industry and market data relating to our Company and our Competitors. Such data is subject to many assumptions. Further, such assumptions may change based on various factors. The assumptions of Marketysers Global Consulting has been obtained from sources generally believed to be reliable, but their completeness and underlying assumptions are not guaranteed. Prospective investors are advised not to rely unduly on the Company commissioned Marketysers Global Consulting Industry Report when making their investment decisions.

42. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

Our Company has entered into related party transactions with our Promoters and Promoter Group Entities in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per Accounting Standard 24, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further details please refer to the section titled '*Restated Financial Statements – Note 31 –Related Party Transactions and Disclosures*' beginning on page 177 of the Red Herring Prospectus.

43. ***Our agreements with financial institutions 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 short term and long-term borrowings with certain financial institutions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, giving corporate guarantee/ financial guarantee for the credit facilities availed by group/allied concerns; declaration or payment of dividend in cases when interest/overdues are outstanding; undertake any new project or expansion; entering any borrowing arrangement either secured or unsecured with any other bank or financial institution or company; invest by way of share capital or lend funds or place deposits with any associate/ allied/ sister/ any other concern; change in capital structure of our Company; revaluation of fixed assets of our Company; alienate or encumber the property secured with lender; formulation of any scheme of amalgamation or reconstruction; change in accounting policies with regard to stock valuation, depreciation of fixed assets, etc.; enter into any hire purchase or lease agreement; withdraw any monies brought in as loans, deposits, capital, etc. by our Promoters, our Directors or their relatives or friends; and undertake any guarantee obligation on behalf of any third party or any other company. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans. For further details, please refer to the section '*Financial Indebtedness*' beginning on page 280 of the Red Herring Prospectus.

44. ***Our Promoters and Directors have provided personal guarantees for our loans and any failure or default by us to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may adversely affect our Promoters' ability to manage our affairs.***

Our Company has availed loans and facilities in the ordinary course of its business for inter alia meeting working capital requirements and capital expenditure. Our Promoters and Directors, Rupesh Kumar Gupta and Sailesh Gupta and one of our Directors, Sunita Gupta have given personal guarantees in relation to certain of our loans. For further details, see "*Financial Indebtedness*" and "*Our Promoters and Promoter Group*" on pages 280 and 169, respectively. Our Promoters and Directors may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our Promoters and Directors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Furthermore, in the event that our Promoters withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

45. ***We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.***

We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this Issue and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

46. ***Our operations are subject to high working capital requirements. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts, could adversely affect our operations.***

Our business requires significant amount of working capital. We require significant amount of our working capital for purchasing key raw materials which are sourced through the MSTC bidding portal for Iron Ore. Further, our Products have a credit cycle of 15 to 71 days which form a part of our working capital requirements. Though, presently we have sanctioned working capital limits from the existing banker and one of the Objects of the Issue is to meet our future working capital requirements, we may need additional debt in the future to satisfy our working capital needs. All these factors may result in increase in the quantum of our current assets and short-term borrowings. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, to meet our working capital requirements, could adversely affect our financial condition and results of operations.

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

Our Promoters, Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. As of the date of this Red Herring Prospectus, our Promoters and certain members of our Promoter Group hold majority of the issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Issue, our Promoters and certain members of the Promoter Group together will continue to exercise significant control over us, which will enable them to vote together in capacity as shareholders of our Company on certain matters in general meetings of our Company. Accordingly, the interests of our Promoters and certain members of the Promoter Group in their capacity as shareholders of our Company may conflict with your interests and the interests of other shareholders of the Company. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 64, 169 and 154, respectively.

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

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

49. ***Our Group Companies have incurred losses in the past, which may have an adverse effect on our reputation and business.***

The following companies, being our Group Companies, incurred a loss after tax as detailed below. For further details, see *"Our Group Companies"* on page 173.

(₹ in Lakhs)

Name of Group Company	Profit / (loss)		
	2021	2020	2019
Ansh Commerce Private Limited	(0.12)	(0.11)	(0.38)

Name of Group Company	Profit / (loss)		
	2021	2020	2019
Reo Solutions Private Limited	(0.12)	(0.12)	(0.10)

50. Certain filings of our Company under the Companies Act have been filed post the prescribed date of filing. There may also be certain inadvertent errors in these filings.

Certain filings of our Company under the Companies Act, including those in relation to issue and allotment of Equity Shares, changes in our management and such other filings have been filed post the prescribed date of filing under the Companies Act. There may also be instances where there are inadvertent errors in secretarial records and filings. We cannot assure you that these filings and errors will not be subject to any penalties imposed by the relevant authority in this respect.

51. Increasing employee compensation in India may reduce our Company's profit margins.

Increase in compensation levels in India may negatively affect our profit margins. Employee compensation in India is currently increasing which could result in increased costs of production. Our Company may need to continue to increase levels of employee compensation to manage attrition. Any increases in the amount of compensation paid to our Company's employees could have a significant effect on our costs, which may affect our position in our industry and have a material adverse effect on our business and financial operations.

52. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.

Our Company has paid dividend for the Fiscal 2019. The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

53. Our insurance cover may not adequately protect us against all material hazards and accidents.

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements. Our principal types of coverage for our business and operations include specific policies for manufacturing, storage of our products at various locations, transportation and such others. Our insurance policies include standard fire and special perils policy, machinery breakdown insurance policy, electronic equipment insurance policy, and certain vehicle insurance policies. As on September 30, 2021, March 31, 2021, March 31, 2020, March 31, 2019, we maintained insurance coverage of ₹ 9352.70 lakhs, ₹ 9,352.70 lakhs, ₹ 8,054.23 lakhs and ₹ 8,335.33 lakhs which is 58.46%, 67.30%, 73.87% and 101.86%, respectively. of our total tangible assets and inventories. Further, our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected.

For further details, see the section titled "*Our Business — Insurance*" on page 142.

54. Any changes in regulations or applicable government incentives would materially adversely affect our Company's operations and growth prospects.

Our Company is subject to regulations in India. Our Company's business and prospects could be adversely affected by changes in any of these regulations and policies, or if any or all of the incentives currently available cease to be, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our

Company will succeed in obtaining all requisite approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which would have a material adversely affect on our Company's operations and financial results. For further details, please refer to the chapter titled '*Key Regulations and Policies in India*' beginning on page 144 of the Red Herring Prospectus.

55. ***The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management. However a, Monitoring Agency, will be appointed in compliance with SEBI ICDR Regulations for monitoring the utilisation of the Net Proceeds and the Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchanges, on a quarterly basis, deviations, if any, in the Use of Proceeds of the Issue from the Objects stated in the Red Herring Prospectus or by way of an explanatory statement to the notice for a general meeting.

56. ***We may not be able to avail funding from banks or financial institution for our future working capital requirements. The failure to obtain such financing may adversely affect our ability to grow and our future profitability.***

Our working capital requirement for Fiscal 2022 and Fiscal 2023 is estimated at ₹ 7,969 lakhs and ₹ 15,401 lakhs. Further, an amount of ₹ 4,000 lakhs towards working capital requirement will be funded out of the Issue Proceeds which will be utilized during Fiscal 2023 towards our Company's working capital requirements and the balance would be arranged from our internal accruals and/or loan funds. Our Company will not be able to utilize Net Proceeds during Fiscal 2022 since we may not be able to receive Net Proceeds out of Issue in Fiscal 2022 as per indicative time table in respect of the Issue. For further details of indicative time table in respect of the Issue, see, "*Terms of the Issue - Bid/ Issue Programme*" on page 299. Our Company cannot assure you that we will be able to raise such financing on acceptable terms in a timely manner or at all. Our failure to renew existing funding or to obtain financing on acceptable terms and in a timely manner could materially and adversely impact our planned capital expenditure, which, in turn, could materially and adversely affect our business, financial condition and results of operations.

57. ***Our Company is yet to place orders the plant and machinery for the proposed setting up two additional Pipe Mills to increase our production capacity.***

Our Company has received third party quotations for proposed expansion by setting up two additional Pipe Mills. For details please see, "Objects of the Issue" on page 81 of this Red Herring Prospectus. Although, we have identified the type of plant and machinery to be purchased for the proposed expansion, we are yet to place order for the plant and machinery worth. The cost of the machineries (including civil and electrical work) is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in the government regulations and policies, change in management's view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for our plant and machinery we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected.

58. ***Unsecured loans of ₹151.66 lakhs outstanding as on January 31, 2022, taken by our Company from Promoters and Directors can be recalled at any time.***

The unsecured loans of ₹ 151.66 lakhs outstanding as on January 31, 2022, taken by our Company from our Promoters and Directors may be recalled by the lenders at any time. Any failure to service such indebtedness, or otherwise perform any obligations under such financing arrangement may incur penalties and acceleration of payments, which may affect our Company. For further details, please refer to the chapter titled '*Financial Indebtedness*' beginning on page 280 of the Red Herring Prospectus.

59. ***We have issued Equity Shares during the last one year at a price that may be below the Issue Price.***

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further details, see "*Capital Structure*" on page 64. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

EXTERNAL RISK

60. ***A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or the agrochemical business or agricultural sectors or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

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

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

62. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.***

Our business is subject to various laws and regulations, which are evolving and subject to change. For details, see *"Key Regulations and Policies in India"* on page 144. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

63. ***Significant differences exist between Ind AS and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

Our financial statements included in this Red Herring Prospectus are prepared and presented in conformity with Ind AS, in each case restated in accordance with the requirements the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2016)" issued by the ICAI. Ind AS differs from other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. As a result, the Restated Financial Statements prepared under Ind AS for the period Fiscals 2021, 2020 and 2019 may not be comparable to our historical financial statements. Accordingly, the degree to which the Financial Statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Red Herring Prospectus.

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

The Competition Act regulates practices that have or are likely to have an appreciable adverse effect on competition in the relevant market in India and provides for the establishment of CCI as the nodal authority for monitoring, enforcement and implementation of competition law in India. The Competition Act seeks to regulate anti-competitive agreements, abuse of dominance and combinations and came into effect in a phased manner with provisions relating to anti-competitive agreements and abuse of dominance on May 20, 2009 and merger control provisions on June 1, 2011. Under the Competition Act, arrangements, understandings or actions in concert, whether formal or informal, which cause or are likely to cause an appreciable adverse effect on competition are considered void and attract substantial penalties. Any agreement among competitors which, directly or indirectly, involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area of market, or type of goods or services or number of customers in the market or, directly or indirectly, results in bid-rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act prohibits abuse of a dominant position by an enterprise or a group. In relation to merger control, an acquisition of shares, assets, voting rights or control of one or more enterprises or merger or amalgamation of enterprises, where certain prescribed assets or turnover thresholds are crossed, will need to comply with the merger control provisions contained under the Competition Act and the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 and will require prior notification to, and approval of, the CCI. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination taking place outside India if such agreement, conduct or combination has or is likely to have an appreciable adverse effect on competition in India. However, there can be no assurance as to the impact of the provisions of the Competition Act on the agreements that we have entered or will enter into. We are not subject to any outstanding proceedings, nor have we received any notice from the CCI in relation to non-compliance with the provisions of the Competition Act or the agreements we have entered into. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it could have an adverse effect on our business, prospects, financial condition and results of operations.

65. ***COVID-19 or the outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

COVID-19 or the outbreak of any other severe communicable disease could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine is available yet. A rapid increase in severe cases of infections and subsequent deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or steps on what we believe would be in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken globally to contain COVID-19 or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, vaccination across the country and the world in general, and how quickly and to what extent normal economic and operating conditions can normalize. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further, muted economic growth could give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE

66. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.

There has been no public market for our Equity Shares prior to the Issue. The purchase price of our Equity Shares in the Issue will be determined by our Company in consultation with the BRLM, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in *"Basis for Issue Price"* on page 92. This price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Issue price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on NSE and BSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Issue will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows
- The history and prospects for our business
- An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures
- The valuation of publicly traded companies that are engaged in business activities similar to ours
- quarterly variations in our results of operations
- results of operations that vary from the expectations of securities 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
- a change in research analysts' recommendations
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments
- announcements of significant claims or proceedings against us
- new laws and government regulations that directly or indirectly affecting our business
- additions or departures of Key Management Personnel
- changes in the interest rates
- fluctuations in stock market prices and volume
- general economic conditions

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

67. *Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.*

As disclosed in *"Capital Structure"* on page 64, an aggregate of 20% of our fully diluted post-Issue capital held by our Promoters shall be considered as minimum Promoters' Contribution and locked in for a period of three (3) years and the balance Equity Shares held by the Promoters following the Issue (assuming all of the Issued Shares are sold in the Issue) will be locked-in for one (1) year from the date of Allotment in the Issue. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in *"Capital Structure"* on page 64, there is no restriction on our ability to issue Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber their Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

68. *You will not be able to immediately sell any of the Equity Shares you purchase in this Issue on the Stock Exchanges.*

Under the SEBI ICDR Regulations, we are permitted to allot Equity Shares within four (4) Working Days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your dematerialized account with the Depository Participants until fifth (5) Working Days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your dematerialized account and listing and trading permissions are received from the Stock Exchanges.

69. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.*

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax ("STT") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is 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 a gain upon the sale of the Equity Shares.

70. 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.

Pursuant to the SEBI ICDR Regulations, 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. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within six (6) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing.

71. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely affect 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 restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of Equity Shares, which are sought to be transferred, is not incompliance with such pricing guidelines or reporting requirements or falls under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

72. We cannot assure payment of dividends on the Equity Shares in the future.

The amount of future dividend payments by us, if any, will depend on several factors, including but not limited to our earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position. We may decide to retain all our earnings to finance the development and expansion of our business and therefore, we may choose not to declare dividends on the Equity Shares. For details, see "*Dividend Policy*" on page 175.

SECTION IV – INTRODUCTION

THE ISSUE

Following table summarises the present Issue in terms of this Red Herring Prospectus:

Particulars	**Details of Equity Shares**
Issue of Equity Shares by our Company#	**Issue of up to 85,00,000 Equity Shares having face value of ₹ 10.00 each at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating up to ₹ [●] lakhs**
The Issue comprises:	
QIB Portion*	Not more than [●] Equity Shares
of which:	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
Non-Institutional Portion	Not less than [●] Equity Shares
Retail Portion	Not less than [●] Equity Shares
Pre and Post-Issue Equity Share Capital of our Company	
Equity Shares outstanding prior to the Issue	1,69,76,204 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Objects of the Issue	Please refer "*Objects of the Issue*" on page 81.

**will be updated prior to filing RHP with RoC*

The Issue has been authorised by our Board pursuant to a resolution dated August 28, 2021, and by our Equity Shareholders pursuant to a resolution passed at the annual general meeting held on September 14, 2021.

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 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. Undersubscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories.

Allocation to Bidders shall be made on a proportionate basis subject to valid Bids 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, shall be allocated on a proportionate basis. For further details, see "Issue Procedure" on page 304. For details of the terms of the Issue, see "Terms of the Issue" on page 297.

SUMMARY FINANCIAL INFORMATION

The summary of financial information presented below should be read in conjunction with "*Restated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 177 and 263, respectively.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

RESTATED IND AS SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Figures in INR Lakhs.)

Particulars	Note No.	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
ASSETS					
Non-current assets					
(a) Property, plant and equipment	2(a)	5,677.81	5,889.62	4,949.59	4,281.80
(b) Capital work-in-progress	2(b)	993.02	833.25	12.59	-
(c) Financial assets					
(i)Other financial assets	3	49.37	49.06	46.39	2.39
(d) Other non-current assets	4	39.24	35.86	17.40	23.00
Total Non-Current Assets		**6,759.44**	**6,807.80**	**5,025.97**	**4,307.19**
Current assets					
(a) Inventories	5	10,319.29	8,008.00	5,953.49	3,901.19
(b) Financial assets					
(i) Trade receivables	6	2,257.46	1,962.91	2,277.60	1,048.58
(ii) Cash and cash equivalents	7(a)	5.41	71.75	166.82	397.99
(iii) Bank balances other than (ii) above	7(b)	28.80	16.24	-	-
(iv) Other financial assets	8	6.56	5.42	1.72	15.79
(c) Other current assets	9	505.01	501.91	542.11	664.37
Total Current Assets		**13,122.51**	**10,566.23**	**8,941.75**	**6,027.92**
Total Assets		**19,881.96**	**17,374.03**	**13,967.72**	**10,335.11**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	10	1,697.62	1,696.12	1,323.34	1,323.34
(b) Other equity	11	6,674.55	5,382.82	3,506.55	2,285.69
Total Equity		**8,372.17**	**7,078.94**	**4,829.89**	**3,609.03**
LIABILITIES					
Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	12	2,843.96	3,394.40	2,717.15	3,163.15
(b) Provisions	13	28.62	20.58	15.88	10.82
(c) Deferred tax liabilities (Net)	14	337.74	358.45	222.80	95.72
Total Non-Current Liabilities		**3,210.32**	**3,773.44**	**2,955.83**	**3,269.69**

Particulars	Note No.	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	15	5,987.53	4,623.08	4,099.43	2,418.90
(ii) Trade payables	16				
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,003.56	429.93	1,492.72	770.78
(iii) Other financials liabilities	17	599.01	968.05	262.36	96.35
(b) Other current liabilities	18	314.75	265.81	172.75	38.64
(c) Provisions	19	1.94	0.19	2.11	9.86
(d) Current tax liabilities (Net)	20	392.68	234.59	152.62	121.85
Total Current Liabilities		**8,299.48**	**6,521.65**	**6,182.00**	**3,456.38**
Total Equity and Liabilities		**19,881.96**	**17,374.03**	**13,967.72**	**10,335.11**

RESTATED IND AS SUMMARY STATEMENT OF PROFIT AND LOSS

(Figures in INR Lakhs.)

	Particulars	**Note No.**	**For the Period ended 30th September 2021**	**For the year ended 31st March 2021**	**For the year ended 31st March 2020**	**For the year ended 31st March 2019**
I	Revenue from operations	21	20,087.10	25,413.89	16,077.69	13,359.61
II	Other income	22	28.90	68.42	37.36	31.95
III	**Total Income (l+Il)**		**20,116.00**	**25,482.31**	**16,115.05**	**13,391.56**
IV	**EXPENSES**					
	Cost of materials consumed	23	15,054.41	18,031.70	10,953.19	8,409.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(1,522.91)	(745.78)	(1,887.28)	5.88
	Employee benefits expense	25	989.03	950.55	829.62	581.07
	Finance costs	26	417.11	751.21	737.07	354.63
	Depreciation and amortization expenses	2	398.30	625.77	516.37	215.43
	Power and fuel		2,724.83	3,381.03	3,654.90	2,518.61
	Other expenses	27	284.61	368.08	178.71	141.77
	Total expenses (lV)		**18,345.38**	**23,362.57**	**14,982.58**	**12,226.77**
V	**Profit before tax (III-IV)**		**1,770.62**	**2,119.74**	**1,132.47**	**1,164.79**
VI	**Tax expense:**	28				
	(1) Current tax		469.63	447.52	206.09	255.01
	(2) Deferred tax		(21.01)	138.10	124.62	74.84
	(3) Tax related to earlier tax period		35.10	20.92	10.93	32.95
	Total Tax Expense (VI)		**483.72**	**606.54**	**341.64**	**362.79**
VII	**Profit for the period from continuing operations (V-Vl)**		**1,286.90**	**1,513.20**	**790.83**	**802.00**
VIII	Profit/(loss) from discontinued operations		-	-	-	-
IX	Tax expenses of discontinued operations		-	-	-	-
X	**Profit from Discontinued operations (after tax) (VIII-IX)**		-	-	-	-
XI	**Profit for the period (VII+X)**		**1,286.90**	**1,513.20**	**790.83**	**802.00**
XII	**Other Comprehensive Income**					
	A. (i) Items that will not be reclassified to profit or loss					
	(a) Remeasurements of post employment benefit obligation		(1.23)	(0.01)	(8.82)	3.52
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.31	(2.45)	2.45	(1.03)

	Particulars	Note No.	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	B. (i) Items that will be reclassified to profit or loss					
	(ii) lncome tax relating to items that will be reclassified to profit or loss					
XIII	**Total Comprehensive Income for the period (XI+XII)**		**1,287.82**	**1,515.67**	**797.20**	**799.51**
XIV	**Earnings per equity share (for continuing operation):**	29				
	(1) Basic		15.12	10.64	5.98	7.34
	(2) Diluted		15.12	9.80	5.93	7.34

RESTATED IND AS SUMMARY STATEMENT OF PROFIT AND LOSS

(Figures in INR Lakhs.)

	Particulars		For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**					
	Net Profit/(Loss) before tax for the period/year		1,770.62	2,119.74	1,132.47	1,164.79
	Adjustments for:					
		Interest income	(28.76)	(42.23)	(36.83)	(31.91)
		Depreciation and amortization expenses	398.30	625.77	516.37	215.43
		Finance Charges other than interest on CFI	417.11	713.67	698.80	332.52
		Interest on Compound Financials Instruments	-	37.54	38.27	22.11
		Gain on settlement of compound financial instrument	-	(26.14)	-	-
	Operating profit before working capital changes		**2,557.27**	**3,428.35**	**2,349.08**	**1,702.94**
	Movement in working capital:					
		(Increase)/Decrease Trade & other receivables	(314.17)	316.49	(1,087.10)	(503.23)
		(Increase)/Decrease Inventories	(2,311.28)	(2,054.51)	(2,052.30)	(690.09)
		Increase/(Decrease) Trade payables & other liabilities	264.55	(261.25)	1,028.19	249.82
		Cash Generated From Operations	**196.37**	**1,429.08**	**237.87**	**759.43**
		Less: Income taxes paid	(346.64)	(386.47)	(186.24)	(437.53)
		Net cash flow From operating activities (A)	**(150.26)**	**1,042.61**	**51.62**	**321.90**
B	**CASH FLOW FROM INVESTING ACTIVITIES**					
		Purchase of Property, plant & equipment	(186.49)	(1,553.21)	(1,184.15)	(3,219.19)
		(Increase) in Capital-work-in progress	(159.77)	(833.25)	(12.59)	-
		Increase/ (decrease) in fixed deposits	1.00	(2.67)	(44.00)	(1.97)
		Interest received	26.89	42.23	36.83	31.91
		Net cash flow used in investing activities - (B)	**(318.37)**	**(2,346.91)**	**(1,203.90)**	**(3,189.25)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**					
		Finance Charges other than interest on CFI	(413.77)	(730.81)	(698.80)	(332.52)
		Dividends paid	-	-	(79.40)	-

Particulars	For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
Securities premium on issue of shares	3.90	48.10	-	466.67
Securities premium on conversion of Preference shares into Equity Shares	-	646.39	-	-
Securities premium on conversion of inter corporate deposits into Equity Shares	-	274.73	-	-
Issue of Equity Shares	1.50	372.78	-	233.33
Issue of Preference Shares	-	100.00	509.60	285.40
Non cash item- adjustment on conversion of preference shares in to Equity Shares	-	(895.00)	-	-
Non cash item- adjustment on conversion of inter corporate deposits in to Equity Shares	-	(380.40)	-	-
Decrease in long term borrowings - Term loans from banks and others	(548.49)	(464.16)	(547.20)	(95.04)
Increase in long term borrowings - Term loans from banks and others	-	2,255.00	533.16	2,392.38
Proceed/(Repayment) in short term borrowings - working capital loans	1,304.65	(54.40)	1,371.27	127.21
Repayment of inter corporate deposits	-	(50.00)	-	-
Other long-term liabilities	54.50	87.00	(167.51)	158.00
Net cash flow from financing activities (C)	**402.29**	**1,209.22**	**921.12**	**3,235.44**
Net increase/ (decrease) in Cash & cash equivalents (A+B+C)	**(66.34)**	**(95.07)**	**(231.16)**	**368.09**
Opening Balances of Cash and cash equivalents	**71.75**	**166.82**	**397.99**	**29.90**
Closing Balances of Cash and cash equivalents	**5.41**	**71.75**	**166.82**	**397.99**

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in the IND AS "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards), Rules 2015

2 Components of cash and cash equivalents

Cash on Hand	3.84	1.26	10.70	1.35
Balance with Banks:				
On Current Accounts	1.57	70.49	3.80	396.64
On Fixed Deposits	-	-	152.33	-
Total cash and cash equivalents (refer note 7(a))	**5.41**	**71.75**	**166.82**	**397.99**

3 Previous year figures have been regrouped/reclassified wherever considered necessary

GENERAL INFORMATION

Our Company was incorporated as 'Hari Om Concast And Steels Private Limited' at Hyderabad as a private limited company in accordance with the provisions of the erstwhile Companies Act, 1956, pursuant to a certificate of incorporation dated June 21, 2007 issued by the Registrar of Companies, Hyderabad. Thereafter, the name of our Company was changed to 'Hariom Pipe Industries Private Limited' vide special resolution dated December 12, 2017 and a fresh certificate of incorporation consequent to name change was issued on December 27, 2017 by RoC, Hyderabad. Thereafter, our Company was converted into to a public limited company and consequently, the name of our Company was changed to 'Hariom Pipe Industries Limited' by a special resolution passed on January 08, 2018 and a fresh Certificate of Incorporation consequent upon conversion was issued on January 17, 2018 by the Registrar of Companies, Hyderabad.

Company Identification Number	U27100TG2007PLC054564
Registration Number	054564
Address of Registered Office of our Company	Plot 3-4-174/12/2, 1st Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India
Address of Corporate Office of our Company	Plot 3-4-174/12/2, 2nd Floor, Samarpan Lane, Besides Spencer's, Pillar No. 125, Attapur, Hyderabad – 500 048, Telangana, India
Address of Registrar of Companies	**Address**: Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad - 500 068, Telangana, India.
Designated Stock Exchange	NSE
Listing of Shares offered in this Issue	BSE and NSE

Board of Directors

Details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth in the table hereunder:

Sr. No.	Name and Designation	DIN	Address
1.	**Pramod Kumar Kapoor** *Chairman and Independent Director*	03557358	8-2-248/P/A, Flat No. 102, Namitha Isle, Road No. 3, Near Chutneys Restaurant, Banjara Hills, Erramanzil, Hyderabad, Telangana 500 082, India
2.	**Rupesh Kumar Gupta** *Managing Director*	00540787	3-4-174, Bungalow no. 70, Ambience Fort, Pillar No. 125, Hyderguda, Hyderabad, Rangareddi, Andhra Pradesh 500 048, India.
3.	**Sailesh Gupta** *Whole Time Director*	00540862	3-4-174, Attarpur, Ambience Fort-70, Rajendranagar, Attarpur, Rangareddi, Andhra Pradesh 500048, India.
4.	**Sunita Gupta** *Non Executive Director*	02981707	3, Plot no. 70, Ambience Fort, Pillar. 125, Attarpur, Hyderabad, Rangareddi, Andhra Pradesh -500 048, India.
5.	**B. Shanti Sree** *Independent Director*	07092258	H. No. 8-2-293/82/HE/2, Huda Enclave, Road No. 70, Jubilee Hills, Hyderabad – 500096, Telangana, India.
6.	**G. Rajender Reddy** *Independent Director*	09165223	2-2-23/22/D/3/1, DD Colony, Narayana High School, Amber Pet, Hyderabad – 500013, Telangana, India.

For further details in relation to our Directors, please refer *"Our Management"* on page 154.

Company Secretary and Compliance Officer

Our Company has appointed Chirag Partani as the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Chirag Partani
Plot 3-4-174/12/2, 1st Floor, Samarpan Lane,
Besides Spencer's, Pillar No. 125,
Attapur, Hyderabad – 500 048,
Telangana, India
Tel No: +91 40 2401 6101
Email: cs@hariompipes.com

Chief Financial Officer

Our Company has appointed Amitabha Bhattacharya, as the Chief Financial Officer. His contact details are set forth hereunder.

Amitabha Bhattacharya
Plot 3-4-174/12/2, 1st Floor, Samarpan Lane,
Besides Spencer's, Pillar No. 125,
Attapur, Hyderabad – 500 048,
Telangana, India
Tel No: +91 40 2401 6101
Email: cfo@hariompipes.com

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

Book Running Lead Manager

ITI Capital Limited
ITI House, 36
Dr. R. K. Shirodkar Marg
Parel, Mumbai – 400 012
Maharashtra, India
Tel No.: +91 22 4031 3371/ +91 22 4031 3465/ 6911 3388
Email: ipo.hariom@iticapital.in
Investor Grievance email: investorgrievance@iticapital.in
Website: www.iticapital.in
Contact Person: Pallavi Shinde/ Mihir B. Pandhi
SEBI Registration No.: INM000010924

Statement of the *inter-se* allocation of responsibilities among the BRLM

ITI Capital Limited is the sole Book Running Lead Manager to the Issue and shall be responsible for the following activities:

S. No	Activity
1.	Pre-issue due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements.
2.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.
3.	• Appointment of Banker(s) to the Issue and printer. • Appointment of advertising agency including co-ordination for agreements to appoint the ad agency and filing of media compliance report to SEBI. • Appointment of Registrar to the Issue including co-ordination for agreements to appoint the Registrar to the Issue.

S. No	Activity
	• Appointment of Monitoring Agency to the Issue including co-ordination for agreements to appoint the Monitoring Agency to the Issue.
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure
5.	International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions.
6.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules
7.	Non-Institutional and Retail marketing of the Issue, which will cover, *inter alia*: • Formulating marketing strategies for Non-Institutional and Retail Investors; • Finalising media, marketing and public relations strategy • Preparation of publicity budget, finalizing media and public relations strategy. • Finalizing centres for holding conferences for brokers • Finalizing collection centres; and • Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material.
8.	Coordination with Stock Exchanges for book building process, filing of letters including software, bidding terminals, mock trading and payment of 1% security deposit to the designated stock exchange
9.	Pricing and managing the book
10.	Post bidding activities including coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc.
11.	Post- Issue activities, which shall involve essential follow-up steps including follow-up with Bankers to the Issue and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post- Issue activity such as registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable.
12.	Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Issue reports including the initial and final post Issue report to SEBI

Registrar to the Issue

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis, Makwana Road
Marol, Andheri East, Mumbai 400 059
Tel: +91 22 6263 8200
Email: ipo@bigshareonline.com
Website:www.bigshareonline.com
Investor Grievance email:investor@bigshareonline.com
Contact Person: Ashish Bhope
SEBI Registration No.: INR000001385

Legal Advisor to the Issue

Desai & Diwanji
Advocates & Solicitors
Lentin Chambers, Dalal Street, Fort
Mumbai – 400001, Maharashtra, India.
Tel. No.: +91 22 4296 1000
Email: info@desaidiwanji.com
Contact Person: Sanjay Israni

Special Purpose International Legal Counsel to the Book Running Lead Manager

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321
Republic of Singapore
Tel. No.: +65 6538 0900

Joint Statutory Auditors of our Company

Rakesh S. Jain & Associates, Chartered Accountants
5-4-8, Mitta Chambers
2nd Floor, Flat No. 201
J. N. Road, Abids
Hyderabad – 500 001
Tel No.: +91 99492 16303
Contact Person: Pankaj Chandak
Email: capankajchandak1@gmail.com
Firm Registration No: 010129S
Peer Review No.: 011302

R Kabra & Co. LLP, Chartered Accountants
515, Tulsiani Chambers
Nariman Point, Mumbai 400 021,
Tel No.: +91 22 2204 4737/ +91 22 2283 0990
Contact Person: Ram Swaroop Gajadhar Verma
Email: r.verma@rkabra.net
Firm Registration No: 104502W/W100721
Peer Review No.: 012127

Changes in Auditors

There has been no change in our statutory auditors in the three years preceding the date of this Red Herring Prospectus except R Kabra & Co. LLP, Chartered Accountants who has been appointed as joint statutory auditors of our Company with Rakesh S. Jain & Associates, Chartered Accountants on July 21, 2021.

Banker to our Company

Canara Bank
3-5-168-123, Narayanguda
Opposite Shanti Theatre
Hyderabad – 500 029
Tel No. - +91 40 2343 6961
Email: cb4926@canarabank.com
Website: www.canarabank.com
Contact Person: Mr. Sanjay Kumar H.

Syndicate Members

Antique Stock Broking Limited
ITI House, 36
Dr. R. K. Shirodkar Marg
Parel, Mumbai – 400 012
Maharashtra, India
Tel: +91 22 4031 3300
Email: jignesh@antiquelimited.com
Website: www.antiquelimited.com
Contact Person: Jignesh P. Sanghani
SEBI Registration No.: INZ000001131

ITI Securities Broking Limited
ITI House, 36
Dr. R. K. Shirodkar Marg
Parel, Mumbai – 400 012
Maharashtra, India
Tel: +91 22 6909 3600
Email: compliance@itiorg.com
Website: www.itisb.co.in
Contact Person: Diptika Sharad
SEBI Registration No.: INZ000005835

Banker to the Issue / Public Issue Account Bank / Refund Bank

Axis Bank Limited
P G Road, Branch No. 1/8/153/1/A/1
Patny Corner, PG Road
Hyderabad – 500 003
Telangana, India
Tel No. - +91 96240 34841
Email: pgroadsecunderabad.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. GLN Murthy
SEBI Registration No.: INBI00000017

Sponsor Banks

Axis Bank Limited
P G Road, Branch No. 1/8/153/1/A/1
Patny Corner, PG Road
Hyderabad – 500 003
Telangana, India
Tel No. - +91 96420 34841
Email:
pgroadsecunderabad.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. GLN Murthy
SEBI Registration No.: INBI00000017

HDFC Bank Limited
FIG-OPS Department, Lodha,
I Think Techno Campus, O-3 level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai 400 042
Maharashtra, India
Tel No. - +91 22 3075 2927 / 28 / 14
Email:tushar.gavankar@hdfcbank.com/
siddharth.jadhav@hdfcbank.com/
neerav.desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Tushar Gavankar/ Mr. Siddharth Jadhav/ Mr. Prasanna Uchil/ Mr. Neerav Desai
SEBI Registration No.: INBI00000063

ICICI Bank Limited
Capital Market Division, 1st Floor
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate
Mumbai 400 020
Maharashtra, India
Tel No. - +91 22 6681 8911 / 23 / 24
Email: sagar.welekar @icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Sagar Welekar
SEBI Registration No.: INBI00000004

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI

The list of SCSBs through which Bids can be submitted by RIBs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Credit Rating

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

Debenture Trustee

As this is an Issue consisting only of Equity Shares, the appointment of a debenture trustee is not required for the Issue.

Appraising Entity

No appraising entity has been appointed in relation to the Issue.

Monitoring Agency

Our Company has appointed Axis Bank Limited as the Monitoring Agency in accordance with Regulation 41 of the SEBI ICDR Regulations. The details of the Monitoring Agency are as follows:

Axis Bank Limited
P G Road, Branch No. 1/8/153/1/A/1
Patny Corner, PG Road
Hyderabad – 500 003
Telangana, India
Tel No. - +91 96420 34841
Email: pgroadsecunderabad.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. GLN Murthy
SEBI Registration No.: INBI00000017

Grading of the Issue

No credit agency registered with SEBI has been appointed for obtaining grading for the Issue.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Experts

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

Our Company has received consents dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants and R Kabra & Co. LLP, Chartered Accountants, our Joint Statutory Auditors, to include their names as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Joint Statutory Auditors, and in respect of their examination report dated February 1, 2022 on our Restated Financial Statements in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written certificate and consent dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their reports dated February 10, 2022 on the statement of special tax benefits in this Red Herring Prospectus and such certificate and consent issued by him to our Company has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Filing

This Red Herring Prospectus has been filed electronically on the SEBI Intermediary Portal athttps://siportal.sebi.gov.in/intermediary/index.html, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, A copy of this Red Herring Prospectus has also been emailed at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD",

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for filing to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered for filing with the RoC situated at the address mentioned below and through its electronic portal.

Registrar of Companies, Hyderabad

Address: Corporate Bhawan, GSI Post
Tattiannaram Nagole, Bandlaguda
Hyderabad - 500 068.

Book Building Process

The book building process, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Form and the Revision Form within the Price Band. The Price Band for the Issue is ₹ 144 to ₹ 153 per Equity Share of face value of ₹ 10.00 each. The Floor Price is 14.4 times of the Face value and the Cap Price is 15.3 times of the face value. Bids can be made for minimum of 98 Equity Shares and in multiples of 98 Equity Shares thereafter. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid/ Issue Closing Date.

All Bidders are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs 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) through the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any state. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Allocation to QIBs and Non-Institutional Buyers will be on a proportionate basis.

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

Bidders should note that the 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 Exchanges, which our Company shall apply for after Allotment. Each Bidder, by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue. For further details on the method and procedure for Bidding, see "*Issue Procedure*" beginning on page 304.

Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

(₹ in lakhs)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned under-writing commitment is indicative and will be finalised after determination of the Issue Price and 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 Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

Subject to applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLM will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

		Aggregate value at face value	Aggregate value at Issue Price*
A	**AUTHORIZED SHARE CAPITAL**		
	2,86,83,800 Equity Shares of face value of ₹10 each	2,868.38	-
	33,16,200 0% Series A Redeemable Non Cumulative Preference Shares of Face Value of ₹10 each	331.62	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	1,69,76,204 Equity Shares of face value ₹ 10 each	1,697.62	-
	33,16,200 0% Series A Redeemable Non Cumulative Preference Shares of Face Value of ₹10 each	331.62	-
C	**PRESENT ISSUE(1) IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Issue of up to 85,00,000 Equity Shares for cash at a price of ₹ [●] per Equity Share	850.00	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
	33,16,200 0% Series A Redeemable Non Cumulative Preference Shares of Face Value of ₹10 each	331.62	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	1,459.08	
	After the Issue	[●]	

**To be updated upon finalization of the Issue Price.*

(1) The Issue has been authorized by a resolution of our Board dated August 28, 2021 and by a special resolution of our Shareholders, dated September 14, 2021.

Notes to the Capital Structure

1. **Share Capital History of our Company**

(a) **Equity Share Capital**

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Form/Nature of Consideration	Reason/ Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
June 21, 2007	10,000	10.00	10.00	Cash	Subscription to MoA(1)	10,000	1,00,000
March 14, 2008	11,70,000	10.00	10.00	Cash	Further issue(2)	11,80,000	1,18,00,000
March 31, 2008	1,20,750	10.00	200.00	Cash	Further issue(3)	13,00,750	1,30,07,500
March 31, 2009	1,60,000	10.00	10.00	Cash	Further issue(4)	14,60,750	1,46,07,500
March 31, 2009	1,15,000	10.00	200.00	Cash	Further issue(5)	15,75,750	1,57,57,500

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Form/Nature of Consideration	Reason/ Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 31, 2010	86,000	10.00	200.00	Cash	Further issue(6)	16,61,750	1,66,17,500
March 31, 2011	1,350	10.00	200.00	Cash	Further issue(7)	16,63,100	1,66,31,000
March 25, 2013	5,000	10.00	10.00	Cash	Further issue (8)	16,68,100	1,66,81,000
July 10, 2017	2,78,345	10.00	75.00	Conversion	Conversion of 0% Redeemable Optionally Convertible Preference Shares of ₹100 each into Equity Shares(9)	19,46,445	1,94,64,450
December 23, 2017	89,53,647	10.00	Nil	Nil	Bonus issue(10)	1,09,00,092	10,90,00,920
March 26, 2019	10,00,000	10.00	30.00	Cash	Preferential issue(11)	1,19,00,092	11,90,00,920
March 27, 2019	13,33,338	10.00	30.00	Cash	Preferential issue(12)	1,32,33,430	13,23,34,300
December 15, 2020	16,66,665	10.00	36.00	Conversion	Conversion of 0% Series B Compulsory Convertible Non Cumulative Preference Shares of ₹10 each into Equity Shares(13)	1,49,00,095	14,90,00,950
December 24, 2020	8,19,443	10.00	36.00	Conversion	Conversion of 3% Series A Redeemable Non Cumulative Preference Shares of ₹10 each into Equity Shares(14)	1,57,19,538	15,71,95,380
December 24, 2020	10,56,666	10.00	36.00	Conversion	Conversion of loan into Equity Shares(15)	1,67,76,204	16,77,62,040

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Form/Nature of Consideration	Reason/ Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 31, 2021	1,85,000	10.00	36.00	Cash	Preferential issue[(16)]	1,69,61,204	16,96,12,040
May 8, 2021	15,000	10.00	36.00	Cash	Preferential issue[(17)]	1,69,76,204	16,97,62,040

Notes:

(1) Allotment of 5,000 Equity Shares each to Rupesh Kumar Gupta and Mukesh Kumar Gupta, being the subscribers to the MoA of our Company.

(2) Allotment of 2,70,000 Equity Shares to Rupesh Kumar Gupta, 70,000 Equity Shares to Sailesh Gupta, 1,60,000 Equity Shares to Mukesh Kumar Gupta, 7,500 equity shares to Rupesh Kumar HUF, 1,32,500 equity shares to Mukesh Kumar HUF, 20,000 equity shares to Deepesh Kumar Golas, 10,000 equity shares to Hariom Gupta HUF, 15,000 equity shares to Isha Gupta, 30,000 equity shares to Nitesh Kumar Golas, 25,000 equity shares to Parul Gupta, 50,000 equity shares to Praveena Gupta, 50,000 equity shares to Rakesh Kumar HUF, 1,70,000 equity shares to Rakesh Kumar Gupta, 80,000 equity shares to Shanti Devi Gupta, 80,000 equity shares to Sunita Gupta.

(3) Allotment of 5,000 equity shares to Anmol Commerce Private Limited, 7,500 equity shares to Billbody Vypar Private Limited, 22,500 equity shares to Darmaraju Jaganath, 750 equity shares to Jaichand Jain, 7,500 equity shares to Jodhani Management Private Limited, 7,500 equity shares to Kamna Credits & Promoters Private Limited, 7,500 equity shares to Negu Distributors Private. Limited, 7,500 equity shares to Novas Commercial Private Limited, 7,500 equity shares to Ornametal Fabrications Private Limited, 7,500 equity shares to Procal Dealcomm Private Limited, 7,500 equity shares to Ramshila Enterprises Private Limited, 7,500 equity shares to Rosemary Mercantile Private Limited, 10,000 equity shares to Sahuwan Motor Finance Private Limited, 7,500 equity shares to Shivam Hire Purchase & Finvest Private Limited, 7500 equity shares to Summex Mercantile Private Limited.

(4) Allotment of 70,000 Equity Shares to Mukesh Kumar Gupta,10,000 Equity Shares to Rupesh Kumar HUF, 5,000 Equity Shares to Mukesh Kumar HUF, 10,000 Equity Shares to Deepesh Kumar Golas, 20,000 Equity Shares to Praveena Gupta, 25,000 Equity Shares to Rakesh Kumar HUF, 20,000 Equity Shares to Rakesh Kumar Gupta.

(5) Allotment of 7,500 Equity Shares to Procal Dealcomm Private Limited, 7,500 Equity Shares to Sahuwan Motor Finance Private Limited, 10,000 Equity Shares to Dashmesh Fincap Private Limited, 5,000 Equity shares to Eastern Credit Cap Limited, 20,000 equity shares to Essen Marketing Private. Limited, 10,000 equity shares to Nanchi Marketing Private Limited, 27,500 equity shares to Virgo Textiles Private Limited, 17,500 equity shares to Inex Infotech Private Limited, 10,000 equity shares to Aasma Merchantile Private Limited.

(6) Allotment of 20,000 Equity Shares to Surip Dealers Private Limited, 5,000 Equity Shares to Procheta Consultants Private Limited, 10,000 Equity Shares to Divya Secfin Private Limited, 5,000 Equity Shares Bright Finance Private Limited, 5,000 Equity Shares to Swaroop Commercial Private Limited, 5,000 Equity Shares to Amazing Vinimay Private Limited, 22,500 Equity Shares to V. L. Narsimha Rao and 13,500 Equity Shares to Nafisa T. Sachak.

(7) Allotment of 1,350 Equity Shares was made to Reo Solutions Private Limited.

(8) Allotment of 5,000 Equity Shares to Shailesh Kumar Gupta HUF.

(9) Our Company has allotted 78,345 Equity Shares to Rupesh Kumar Gupta against 58,760 0% Redeemable Optionally Convertible Preference Shares and 2,00,000 Equity Shares against 1,50,000 0% Redeemable Optionally Convertible Preference Shares to Sailesh Gupta pursuant to conversion of 0% Redeemable Optionally Convertible Preference Shares into Equity Shares at a price of ₹ 75 per share based on the valuation report dated July 1, 2017. For further reference, the valuation report dated July 1, 2017 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

(10) Pursuant to special resolution passed in the meeting of shareholders dated December 12, 2017, our Company has allotted 29,88,597 Equity Shares to Rupesh Kumar Gupta, 20,24,000 Equity Shares to Sailesh Gupta, 15,52,500 Equity Shares to Rakesh Kumar Gupta, 6,66,862 Equity Shares to Sunita Gupta, 3,45,000 Equity Shares to Rakesh Kumar Gupta HUF, 7,44,188 Equity Shares to Parul Gupta, 80,500 Equity Shares to Rupesh Kumar HUF, 5,29,000 Equity Shares to Isha Gupta and 23,000 Equity Shares to Shailesh Kumar Gupta HUF by way of bonus in the ratio of 23:5 i.e. 23 Equity Shares for every 5 Equity Shares held by the our equity shareholders.

(11) Allotment of 10,00,000 Equity Shares to M/s. Ultra Pipes, Partnership Firm (Rupesh Kumar Gupta, Sailesh Gupta, Rakesh Kumar Gupta are beneficial owners of M/s. Ultra Pipes, Partnership Firm).

(12) Allotment of 13,33,338 Equity Shares to M/s. Ultra Pipes, Partnership Firm (Rupesh Kumar Gupta, Sailesh Gupta, Rakesh Kumar Gupta are beneficial owners of M/s. Ultra Pipes, Partnership Firm).

(13) Our Company has issued 5,55,555 Equity Shares to Rupesh Kumar Gupta, 4,72,222 Equity Shares to Sailesh Gupta; 2,22,222 Equity Shares to Sunita Gupta and 4,16,666 Equity Shares to Ansh Commerce Private Limited pursuant to conversion of 60,00,000 0% Series B Compulsory Convertible Non Cumulative Preference Shares into equity shares at a price of ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

(14) *Our Company has converted 29,50,000 3% Series A Redeemable Non Cumulative Non Convertible Preference Shares into 3% Series A Redeemable Convertible Preference Shares and immediately into Equity Shares vide shareholders resolution dated December 21, 2020. Accordingly, our Company allotted 2,91,666 Equity Shares to Sunita Gupta and 5,27,777 Equity Shares to Ansh Commerce Private Limited pursuant to such conversion at a price of ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.*

(15) *Our Company has issued 19,444 Equity Shares to Reo Solutions Private Limited and 10,37,222 Equity Shares to Ansh Commerce Private Limited pursuant to conversion of loan into Equity Shares at a price of ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334. Our Company, to re-build net worth and to strengthen financial position of the Company has converted such unsecured loans into equity shares upon request of the aforementioned lenders, at a price of ₹ 36 based upon the valuation report.*

(16) *Allotment of 50,000 Equity Shares to Amitabha Bhattacharya,42,500 Equity Shares to Ansh Golas; 30,000 Equity Shares to Yash Gupta; 15,000 Equity Shares to Nitesh Gupta; 10,000 Equity Shares to Chirag Partani; 5,000 Equity Shares each to Ashish Agarwal, Sweta Dalal, Sanjay Tapadia, K Hamsaveni, 2000 Equity Shares each to Saili Krishna, Phani Kishore pothiganti, Vandana Gupta, Naveen Shukla, Pratik Kedia, Gonagi Jagannath and Satyanarayan Sharma; 1000 Equity Shares each to Y Srinivasa Rao and Sharad S. Lahoti; 500 Equity Shares each to Raghunandan Gupta, Kumar M. and Swetha Kandukala.*

(17) *Allotment of 11,000 Equity Shares to Rita Kapoor and 4,000 Equity Shares to Ansh Golas.*

(b) **Preference Share Capital**

I. History of 0% Series A Redeemable Non Cumulative Preference Shares

Date of allotment	No. of preference shares	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Nature/ reason of allotment	Nature of consideration	Cumulative number of preference shares	Cumulative Paid-up of preference share capital (in ₹)
March 31, 2016	33,16,200	10.00	10.00	Cash	Preferential issue(1)	33,16,200	3,31,62,000

Notes:

(1) *Allotment of 24,80,000 shares to Emergence Reality Private Limited; 4,70,000 shares to Panorama Landmark Private Limited and 3,66,200 shares to Sailesh Gupta.*

II. History of 0% Redeemable Optionally Convertible Preference Shares

Date of allotment	No. of preference shares	Face value per preference share (in ₹)	Issue price per preference share (in ₹)	Nature/ reason of allotment	Nature of consideration	Cumulative number of preference shares	Cumulative Paid-up of preference share capital (in ₹)
March 31, 2011	29,960	100.00	500.00	Further issue(1)	Cash	29,960	29,96,000
March 28, 2012	1,68,000	100.00	100.00	Further issue(2)	Cash	1,97,960	1,97,96,000
March 25, 2013	10,800	100.00	100.00	Further issue(3)	Cash	2,08,760	2,08,76,000
July 10, 2017	Conversion into Equity Shares*#						

Notes:

(1) *Allotment of 29,960 Preference Shares to Ansh Commerce Private Limited.*

(2) *Allotment of 1,68,000 Preference Shares to Ansh Commerce Private Limited.*

(3) *Allotment of 10,800 Preference Shares to Ansh Commerce Private Limited.*

**Pursuant to Board Meeting held on May 6, 2017, 1,50,000 0% Redeemable Optionally Convertible Preference Shares were transferred from Ansh Commerce Private Limited to Mr. Sailesh Gupta and 58,760 0% Redeemable Optionally Convertible Preference Shares were transferred from Ansh Commerce Private Limited to Mr. Rupesh Kumar Gupta.*

Pursuant to Board Meeting held on July 10, 2017, our Company has issued 78,345 Equity shares to Rupesh Kumar Gupta against 58,760 0% Redeemable Optionally Convertible Preference Shares and 2,00,000 Equity Shares against 1,50,000 0%

Redeemable Optionally Convertible Preference Shares to Sailesh Gupta pursuant to conversion of 0% Redeemable Optionally Convertible Preference Shares into Equity Shares at a price of ₹ 75 per share based on the valuation report dated July 1, 2017. For further reference, the valuation report dated July 1, 2017 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

III. History of 3% Series A Redeemable Non Cumulative Non Convertible Preference Shares

Date of allotment/ redemption	**No. of preference shares**	**Face value per preference share (in ₹)**	**Issue/ redemption price per preference share (in ₹)**	**Nature/ reason of allotment**	**Nature of consideration**	**Cumulative number of preference shares**	**Cumulative Paid-up of preference share capital (in ₹)**
March 30, 2019	28,54,028	10.00	10.00	Preferential issue[(1)]	Cash	28,54,028	2,85,40,280
April 10, 2019	52,427	10.00	10.00	Preferential issue[(2)]	Cash	29,06,455	2,90,64,550
September 06, 2019	(18,75,670)	10.00	10.00	Redemption[(3)]	Cash	10,30,785	1,03,07,850
March 16, 2020	(10,30,785)	10.00	10.00	Redemption[(4)]	Cash	Nil	Nil
March 23, 2020	29,50,000	10.00	10.00	Preferential issue by way of conversion of loan into preference shares[(5)]	Cash	29,50,000	2,95,00,000
December 24, 2020	Conversion into Equity Shares[#]						

Notes:

(1) Allotment of 28,54,028 preference shares to Yash Pigments LLP

(2) Allotment of 52,427 preference shares to Yash Pigments LLP

(3) Redemption of 18,75,670 preference shares allotted to Yash Pigments LLP

(4) Redemption of 10,30,785 preference shares allotted to Yash Pigments LLP

(5) Allotment of 19,00,000 preference shares to Ansh Commerce Private Limited and 10,50,000 shares to Sunita Gupta.

Our Company has converted 29,50,000 3% Series A Redeemable Non Cumulative Non Convertible Preference Shares into 3% Series A Redeemable Convertible Preference Shares and immediately into Equity Shares vide shareholders resolution dated December 21, 2020. Accordingly, our Company allotted 2,91,666 Equity Shares to Sunita Gupta and 5,27,777 Equity Shares to Ansh Commerce Private Limited pursuant to such conversion at a price of ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

IV. History of 0% Series B Compulsory Convertible Non Cumulative Preference Shares

Date of allotment	**No. of preference shares**	**Face value per preference share (in ₹)**	**Issue price per preference share (in ₹)**	**Nature/ reason of allotment**	**Nature of consideration**	**Cumulative number of preference shares**	**Cumulative Paid-up of preference share capital (in ₹)**
March 03, 2020	10,00,000	10.00	10.00	Preferential issue[(1)]	Cash	10,00,000	1,00,00,000
March 07, 2020	15,00,000	10.00	10.00	Preferential issue[(2)]	Cash	25,00,000	2,50,00,000
March 17, 2020	25,00,000	10.00	10.00	Preferential issue[(3)]	Cash	50,00,000	5,00,00,000
August 04, 2020	10,00,000	10.00	10.00	Preferential issue[(4)]	Cash	60,00,000	6,00,00,000
December 15,2020	Conversion into Equity Shares[#]						

Notes:

(1) Allotment of 5,00,000 Preference Shares to Rupesh Kumar Gupta and 5,00,000 Preference Shares to Sailesh Gupta.
(2) Allotment of 10,00,000 Preference Shares to Rupesh Kumar Gupta and 5,00,000 Preference Shares to Sailesh Gupta.
(3) Allotment of 5,00,000 Preference Shares to Rupesh Kumar Gupta; 7,00,000 Preference Shares to Sailesh Gupta; 5,00,000 shares to Ansh Commerce Private Limited and 8,00,000 preference shares to Sunita Gupta.
(4) Allotment of 10,00,000 Preference Shares to Ansh Commerce Private Limited

#Our Company has issued 2,22,222 Equity Shares to Sunita Gupta; 4,16,666 Equity Shares to Ansh Commerce Private Limited; 5,55,555 Equity Shares to Rupesh Kumar Gupta and 4,72,222 Equity Shares to Sailesh Gupta pursuant to conversion of 60,00,000 0% Series B Compulsory Convertible Non Cumulative Preference Shares into Equity Shares at a price of ₹ 36.00 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

2. ***Equity Shares allotted at a price lower than the Issue Price in the last year***

Except as stated below, our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during the last one year preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/Nature of Allotment	No. of Equity Shares* Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of consideration
December 15, 2020	Conversion of 0% Series B Compulsory Convertible Non Cumulative Preference Shares of ₹10 each into Equity Shares(1)	16,66,665	10.00	36.00	Conversion
December 24, 2020	Conversion of 3% Series A Redeemable Non Cumulative Preference Shares of ₹10 each into Equity Shares(2)	8,19,443	10.00	36.00	Conversion
December 24, 2020	Conversion of loan into Equity Shares(3)	10,56,666	10.00	36.00	Cash
March 31, 2021	Preferential issue(4)	1,85,000	10.00	36.00	Cash
May 8, 2021	Preferential issue(5)	15,000	10.00	36.00	Cash

Notes:.
(1) Our Company has issued 5,55,555 Equity Shares to Rupesh Kumar Gupta, 4,72,222 Equity Shares to Sailesh Gupta; 2,22,222 Equity Shares to Sunita Gupta and 4,16,666 Equity Shares to Ansh Commerce Private Limited pursuant to conversion of 60,00,000 0% Series B Compulsory Convertible Non Cumulative Preference Shares into Equity Shares.
(2) Our Company has converted 29,50,000 3% Series A Redeemable Non Cumulative Non Convertible Preference Shares into 3% Series A Redeemable Convertible Preference Shares and immediately into Equity Shares vide shareholders resolution dated December 21, 2020. Accordingly, our Company allotted 2,91,666 Equity Shares to Sunita Gupta and 5,27,777 Equity Shares to Ansh Commerce Private Limited pursuant to such conversion at ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.
(3) Our Company has issued 19,444 Equity Shares to Reo Solutions Private Limited and 10,37,222 Equity Shares to Ansh Commerce Private Limited pursuant to conversion of loan into Equity Shares at ₹ 36 per share based on the valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334. Our Company, to re-build net worth and to strengthen financial position of the Company has converted such unsecured loans into equity shares upon request of the aforementioned lenders, at a price ₹ 36 per share based upon the valuation report.
(4) Allotment of 50,000 Equity Shares to Amitabha Bhattacharya,42,500 Equity Shares to Ansh Golas; 30,000 Equity Shares to Yash Gupta; 15,000 Equity Shares to Nitesh Gupta; 10,000 Equity Shares to Chirag Partani; 5,000 Equity Shares each to Ashish Agarwal, Sweta Dalal, Sanjay Tapadia, K Hamsaveni, 2000 Equity Shares each to Saili Krishna, Phani Kishore pothiganti, Vandana Gupta, Naveen Shukla, Pratik Kedia, Gonagi Jagannath and Satyanarayan Sharma; 1000 Equity Shares each to Y Srinivasa Rao and Sharad S. Lahoti; 500 Equity Shares each to Raghunandan Gupta, Kumar M. and Swetha Kandukala.
(5) Allotment of 11,000 Equity Shares to Rita Kapoor and 4,000 Equity Shares to Ansh Golas.

3. ***Equity Shares issued for consideration other than cash or out of revaluation reserves***

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

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

Date of allotment	**Number of equity shares allotted**	**Face Value per equity share (₹)**	**Issue price per equity (₹)**	**Reason of allotment**	**Benefits accrued to our Company**
December 23, 2017	89,53,647(1)	10.00	Nil	Bonus issue(1)	-

Notes:

(1) Pursuant to special resolution passed in the meeting of shareholders dated December 12, 2017, our Company has allotted 29,88,597 Equity Shares to Rupesh Kumar Gupta, 20,24,000 Equity Shares to Sailesh Gupta, 15,52,500 Equity Shares to Rakesh Kumar Gupta, 6,66,862 Equity Shares to Sunita Gupta, 3,45,000 Equity Shares to Rakesh Kumar Gupta HUF, 7,44,188 Equity Shares to Parul Gupta, 80,500 Equity Shares to Rupesh Kumar HUF, 5,29,000 Equity Shares to Isha Gupta and 23,000 Equity Shares to Shailesh Kumar Gupta HUF by way of bonus in the ratio of 23:5 i.e. 23 Equity Shares for every 5 Equity Shares held by the our equity shareholders by capitalization of Securities Premium Account.

4. ***Equity Shares allotted in terms of any schemes of arrangement***

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391- 394 of the erstwhile Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

5. **Equity Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoters and Promoter Group	17	1,68,22,704	-	-	1,68,22,704	99.10	1,68,22,704	-	1,68,22,704	99.10	-	-	-	-	-	-	1,68,22,704
(B)	Public	21	1,53,500	-	-	1,53,500	0.90	1,53,500	-	1,53,500	0.90	-	-	-	-	-	-	1,53,500
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
©(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**38**	**1,69,76,204**	**-**	**-**	**1,69,76,204**	**100.00**	**1,69,76,204**	**-**	**1,69,76,204**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**1,69,76,204**

Major shareholders

The list of our major shareholders and the number of Equity Shares held by them is provided below:

a) The details of our shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing this Red Herring Prospectus is set forth below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-Issue Equity Share Capital (%)
1.	Rupesh Kumar Gupta	41,93,847	24.70%
2.	Sailesh Gupta	29,36,222	17.30%
3.	M/s. Ultra Pipes*	23,33,338	13.74%
4.	Ansh Commerce Private Limited	19,81,665	11.67%
5.	Rakesh Kumar Gupta	16,40,000	9.66%
6.	Sunita Gupta	10,75,720	6.34%
7.	Parul Gupta	9,05,968	5.34%
8.	Isha Gupta	6,44,000	3.79%
9.	Rakesh Kumar HUF	4,20,000	2.47%

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners of M/s. Ultra Pipes.*

b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of this Red Herring Prospectus is set forth below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-Issue Equity Share Capital (%)
1.	Rupesh Kumar Gupta	41,93,847	24.70%
2.	Sailesh Gupta	29,36,222	17.30%
3.	M/s. Ultra Pipes*	23,33,338	13.74%
4.	Ansh Commerce Private Limited	19,81,665	11.67%
5.	Rakesh Kumar Gupta	16,40,000	9.66%
6.	Sunita Gupta	10,75,720	6.34%
7.	Parul Gupta	9,05,968	5.34%
8.	Isha Gupta	6,44,000	3.79%
9.	Rakesh Kumar HUF	4,20,000	2.47%

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners of M/s. Ultra Pipes.*

c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of this Red Herring Prospectus is set forth below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-issue Equity Share Capital (%)
1.	Rupesh Kumar Gupta	41,93,847	25.00%
2.	Sailesh Gupta	29,36,222	17.50%
3.	M/s. Ultra Pipes*	23,33,338	13.90%
4.	Ansh Commerce Private Limited	19,81,665	11.81%
5.	Rakesh Kumar Gupta	18,90,000	11.27%
6.	Parul Gupta	9,05,968	5.40%
7.	Sunita Gupta	13,25,720	7.90%
8.	Isha Gupta	6,44,000	3.84%
9.	Rakesh Kumar HUF	4,20,000	2.50%

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners of M/s. Ultra Pipes.*

d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of this Red Herring Prospectus is set forth below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-Issue Equity Share Capital (%)
1.	Rupesh Kumar Gupta	36,38,292	27.49%
2.	Sailesh Gupta	24,64,000	18.62%
3.	M/s. Ultra Pipes*	23,33,338	17.63%
4.	Rakesh Kumar Gupta	18,90,000	14.28%
5.	Parul Gupta	9,05,968	6.85%
6.	Sunita Gupta	8,11,832	6.13%
7.	Isha Gupta	6,44,000	4.87%
8.	Rakesh Kumar HUF	4,20,000	3.17%

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners for M/s. Ultra Pipes.*

6. Except for the allotment of Equity Shares pursuant to the Issue, our Company presently does not intend or propose to alter its capital structure from the date of filing of the Red Herring Prospectus until a period of six 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 Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise.

7. **Details of Shareholding of our Directors and Key Managerial Personnel our Company**

The details of Shareholding of our Directors and Key Managerial Personnel our Company is provided below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-Issue Equity Share Capital (%)
Directors			
1.	Rupesh Kumar Gupta	41,93,847	24.70%
2.	Sailesh Gupta	29,36,222	17.30%
3.	Sunita Gupta	10,75,720	6.34%
Key Managerial Personnel			
4.	Amitabha Bhattacharya	50,000	0.29%
5.	Chirag Partani	10,000	0.06%
6.	Ashish Agarwal	5,000	0.03%

8. As on the date of this Red Herring Prospectus, our Company had a total of 38 Shareholder.

9. **Details of acquisition of specified securities in the last three (3) years**

Except as disclosed below, none of the specified security were acquired in the last three (3) years, by our Promoter and members of our Promoter Group from the date of this Red Herring Prospectus:

Sr. No.	Name of the acquirer	Date of acquisition of Equity Share	No. of Equity Shares	Acquisition price per Equity Share (₹)
Promoters				
1.	Rupesh Kumar Gupta	December 15, 2020	5,55,555(1)	36.00
2.	Sailesh Gupta	December 15, 2020	4,72,222(1)	36.00
Promoter Group				
3.	M/s Ultra Pipes*	March 26, 2019	10,00,000(1)	30.00
		March 27, 2019	13,33,338(2)	30.00
4.	Sunita Gupta	December 15, 2020	2,22,222(1)	36.00
		December 24, 2020	2,91,666(2)	36.00

Sr. No.	Name of the acquirer	Date of acquisition of Equity Share	No. of Equity Shares	Acquisition price per Equity Share (₹)
5.	Ansh Commerce Private Limited	December 15, 2020	4,16,666(1)	36.00
		December 24, 2020	5,27,777(2)	36.00
		December 24, 2020	10,37,222(3)	36.00
6.	Reo Solutions Private Limited	December 24, 2020	19,444(3)	36.00
7.	Ansh Golas	March 31, 2021	42,500(4)	36.00
		April 27, 2021	1,00,000(5)	Nil
		May 8, 2021	4,000(6)	36.00
8.	Anushka Golas	April 27, 2021	1,00,000(7)	Nil
9.	Yuvika Gupta	April 27, 2021	50,000(8)	Nil
		April 27, 2021	50,000(9)	Nil
10.	Lakshit Gupta	April 27, 2021	1.00,000(10)	Nil
11.	Anvesha Gupta	April 27, 2021	1.00,000(11)	Nil

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners of M/s. Ultra Pipes.*

(1) Our Company has issued 5,55,555 Equity Shares to Rupesh Kumar Gupta, 4,72,222 Equity Shares to Sailesh Gupta; 2,22,222 Equity Shares to Sunita Gupta and 4,16,666 Equity Shares to Ansh Commerce Private Limited at a price of ₹ 36 per share by way of valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

(2) Our Company has converted 29,50,000 3% Series A Redeemable Non Cumulative Non Convertible Preference Shares into 3% Series A Redeemable Convertible Preference Shares and immediately into Equity Shares vide shareholders resolution dated December 21, 2020. Accordingly, our Company allotted 2,91,666 Equity Shares to Sunita Gupta and 5,27,777 Equity Shares to Ansh Commerce Private Limited pursuant to such conversion at a price of ₹ 36 per share by way of valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334.

(3) Our Company has issued 19,444 Equity Shares to Reo Solutions Private Limited and 10,37,222 Equity Shares to Ansh Commerce Private Limited pursuant to conversion of loan into Equity Shares at a price of ₹ 36 per share by way of valuation report dated December 15, 2020. For further reference, the valuation report dated December 15, 2020 forms part of "Material Contracts and Documents for Inspection" mentioned on page 334. Our Company, to re-build net worth and to strengthen financial position of the Company has converted such unsecured loans into equity shares upon request of the aforementioned lenders, at a price ₹ 36 per share based upon the valuation report.

(4) Allotment of 42,500 Equity Shares to Ansh Golas.

(5) Transfer of 1,00,000 Equity Shares from Rakesh Kumar Gupta to Ansh Golas by way of gift.

(6) Allotment of 4,000 Equity Shares to Ansh Golas.

(7) Transfer of 1,00,000 Equity Shares from Rakesh Kumar Gupta to Anushka Golas by way of gift.

(8) Transfer of 50,000 Equity Shares from Rakesh Kumar Gupta to Yuvika Gupta by way of gift.

(9) Transfer of 50,000 Equity Shares from Sunita Gupta to Yuvika Gupta by way of gift.

(10) Transfer of 1,00,000 Equity Shares from Sunita Gupta to Lakshita Gupta by way of gift.

(11) Transfer of 1,00,000 Equity Shares from Sunita Gupta to Anvesha Gupta by way of gift.

10. Details of Shareholding of our Promoters and members of the Promoter Group in our Company

(i) ***Equity Shareholding of our Promoters***

As on the date of this Red Herring Prospectus, our Promoters hold an aggregate of 71,30,069 Equity Shares, aggregating to 42% of the issued, subscribed and paid-up Equity Share capital of our Company.

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

(iii) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the Equity Shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
Rupesh Kumar Gupta							
June, 21 2007	Subscription to MOA	5,000	10.00	10.00	Cash	0.03%	[●]
March 14, 2008	Further issue	2,70,000	10.00	10.00	Cash	1.59%	[●]
March 28, 2012	Transfer of Equity Shares	2,95,000	10.00	10.00	Cash	1.74%	[●]
May 06, 2017	Transfer of Equity Shares	1,350	10.00	10.00	Cash	0.01%	[●]
July, 10 2017	Conversion of 0% Redeemable Optionally Convertible Preference Shares of ₹100 each to Equity Shares	78,345	10.00	75.00	Conversion	0.46%	[●]
December 23, 2017	Bonus issue	29,88,597	10.00	Nil	Nil	17.60%	[●]
December 15, 2020	Conversion of 0% Series B Compulsory Convertible Non-Cumulative Preference Shares of ₹10 each into Equity Shares	5,55,555	10.00	36.00	Conversion	3.27%	[●]
	Sub-Total (A)	**41,93,847**				**24.70%**	**[●]**
Sailesh Gupta							
March 14,2008	Further Allotment	70,000	10.00	10.00	Cash	0.41%	[●]
March 28, 2012	Transfer of Equity Shares	70,000	10.00	10.00	Cash	0.41%	[●]
May 06, 2017	Transfer of Equity Shares	1,00,000	10.00	10.00	Cash	0.59%	[●]
July 10, 2017	Conversion of 0% Redeemable Optionally Convertible Preference Shares of ₹100 each to Equity Shares	2,00,000	10.00	75.00	Conversion	1.18%	[●]
December 23, 2017	Bonus issue	20,24,000	10.00	Nil	Nil	11.92%	[●]

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
December 15, 2020	Conversion of 0% Series B Compulsory Convertible Non-Cumulative Preference Shares of ₹10 each into Equity Shares	4,72,222	10.00	36.00	Conversion	2.78%	[●]
	Sub-Total (B)	**29,36,222**				**17.30%**	**[●]**
	Total (A+B)	**71,30,069**				**42.00%**	**[●]**

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) None of the Equity Shares held by our Promoters are pledged.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) collectively hold 96,92,635 Equity Shares, equivalent to 57.08% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of shareholder	No. of Equity Shares	Percentage of Pre-Issue Equity Share Capital (%)
1.	M/s. Ultra Pipes	23,33,338	13.74%
2.	Ansh Commerce Private Limited	19,81,665	11.67%
3.	Rakesh Kumar Gupta	16,40,000	9.66%
4.	Sunita Gupta	10,75,720	6.34%
5.	Parul Gupta	9,05,968	5.34%
6.	Isha Gupta	6,44,000	3.79%
7.	Rakesh Kumar HUF	4,20,000	2.47%
8.	Ansh Golas	1,46,500	0.87%
9.	Anushka Golas	1,00,000	0.59%
10.	Yuvika Gupta	1,00,000	0.59%
11.	Lakshit Gupta	1,00,000	0.59%
12.	Anvesha Gupta	1,00,000	0.59%
13.	Shailesh Kumar HUF	28,000	0.16%
14.	Rupesh Kumar HUF	98,000	0.58%
15.	Reo Solutions Private Limited	19,444	0.11%

**Rupesh Kumar Gupta, Sailesh Gupta and Rakesh Kumar Gupta as beneficial owners for M/s. Ultra Pipes.*

(vii) None of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of the Draft Red Herring Prospectus except as disclosed below:

Date of Transfer / Transmission	Nature of Transaction	No. of Equity Shares	Price per Equity Share (₹)
Rakesh Kumar Gupta			
April 27, 2021	Transfer of Equity Shares from Rakesh Kumar Gupta to Ansh Golas	1,00,000	Gift
April 27, 2021	Transfer of Equity Shares from Rakesh Kumar Gupta to Anushka Golas	1,00,000	Gift
April 27, 2021	Transfer of Equity Shares from Rakesh Kumar Gupta to Yuvika Gupta	50,000	Gift
Sunita Gupta			
April 27, 2021	Transfer of Equity Shares from Sunita Gupta to Lakshit Gupta	1,00,000	Gift
April 27, 2021	Transfer of Equity Shares from Sunita Gupta to Anvesha Gupta	1,00,000	Gift
April 27, 2021	Transfer of Equity Shares from Sunita Gupta to Yuvika Gupta	50,000	Gift

Further, none of the members of the Promoter Group, the Promoters, or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

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

11. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for three years***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are set forth in the table below:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares*	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
Rupesh Kumar Gupta							
December 23, 2017	Bonus issue	29,88,597	10.00	Nil	Nil	17.60%	[●]
Sailesh Gupta							

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares*	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
May 6, 2017	Transfer of Equity Shares	1,00,000	10.00	10.00	Cash	0.59%	[●]
December 23, 2017	Bonus issue	20,24,000	10.00	Nil	Nil	11.92%	[●]
	Total	**51,12,597**				**30.12%**	[●]

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

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

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution

(ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer

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

(iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for one year***

In addition to the 20% of the fully diluted post-Issue shareholding of our Company held by the Promoters and locked in for three years as specified above, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

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

(i) As required under 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.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one year, 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 with the transferee and compliance with the provisions of the Takeover Regulations.

12. Our Company, our Promoters, our Directors and the BRLM have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

13. There are no partly paid up Equity Shares as on the date of this Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment. The Equity Shares to be issued or transferred pursuant to the Issue shall be fully paid up at the time of Allotment.

14. As on the date of this Red Herring Prospectus, the BRLM and their respective associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their 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 commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

15. Our Company does not have any Employee Stock Option Scheme/Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

16. 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 30% of the Issue shall be available for allocation on a proportionate basis to QIBs. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. 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 QIBs. Further, not less than 35% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and 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 Price. All potential Bidders are mandatorily required to utilise the ASBA process providing details of their respective ASBA accounts and UPI ID in case of RIBs

using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by SCSBs) or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For further details, see "*Issue Procedure*" on page 304.

17. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

18. None of our Promoters or members of our Promoter Group will participate in the Issue.

19. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.

20. All transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

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

22. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

OBJECTS OF THE ISSUE

The Issue comprises of Issue of up to 85,00,000 Equity Shares, aggregating up to ₹ [●] lakhs by our Company.

Objects of the Issue

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding capital expenditure requirements;

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

3. General corporate purposes.

(collectively referred to herein as the "Objects")

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

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds from the Issue are summarized in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Gross Proceeds from the Issue	[●]
2.	Less : Issue Expenses payable by our company	[●]
3.	**Net Proceeds of the Issue ("Net Proceeds")***	**[●]**

**Will be incorporated after finalization of the Issue Price and updated in the Prospectus at the time of filing with the RoC.*

Requirement of funds, schedule of implementation and utilization of Net Proceeds

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

(₹ in lakhs)

Particulars	Amount
Funding capital expenditure requirements	5,005.03
Funding the working capital requirements of our Company	4,000.00
General corporate purposes*	[●]
Total	**[●]**

**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 of the Issue.*

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in lakhs)

Particulars	Total Estimated Cost	Amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds in Fiscal 2022	Estimated schedule of deployment of Net Proceeds in Fiscal 2023
Funding capital expenditure requirements	5,005.03	5,005.03	Nil	5,005.03
Funding the working capital requirements of our Company	4,000.00	4,000.00	Nil	4,000.00
General corporate purposes*	[●]	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**	**[●]**

**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 of the Issue.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, quotations from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see "*Risk Factors – The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings"*. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

Estimated schedule of commencement and completion

Particulars	Estimated date of Commencement	Estimated date of Completion
Funding Capital Expenditure Requirements		
Two Additional Pipe Mills – Plant and Machinery and Civil works		
- Civil Works	April 2022	May 2022
- Placement of Order	April 2022	May 2022
- Receipt of Plant & Machinery	July 2022	August 2022
- Erection and Commissioning	August 2022	September 2022
- Trial Run Production	October 2022	October 2022
- Commercial Production	November 2022	November 2022
Expansion of Existing Furnace -		
Plant & Machinery		
- Placement of Order	April 2022	April 2022
- Receipt of Plant & Machinery	July 2022	July 2022
- Erection and Commissioning	August 2022	September 2022
- Trial Run Production	September 2022	September 2022
- Commercial Production	September 2022	September 2022

The above Schedule of implementation and completion of proposed expansion projects is based on our current business plan, management estimates and our estimate of the completion of the Issue. We may have to revise our schedule of implementation and completion on account of a various factors including delay in Issue process, market conditions, negotiation with suppliers and other external factors. This may entail rescheduling the above mentioned schedule of implementation of proposed expansion projects. The schedule for the implementation and commercial production of the proposed expansion project has been planned for three (3) to seven (7) months from the month of April 2022. Our Company is setting up the proposed project on the land adjacent to the exiting Unit I and material approvals and licenses for the existing Unit I will be applicable for the proposed expansion projects. Therefore, there is less scope for delay in completion of the projects and escalation in costs of the proposed expansion projects.

We have already identified civil contractors to undertaken civil construction work and suppliers for the machinery and equipment for proposed projects as mentioned below under the paragraph titled "Funding capital expenditure requirements of the Company" below. We have already obtained quotations from various suppliers of machinery and equipment which are valid for six (6) months. Further, we will make an advance payment to the major suppliers for initiating the contract with them.

Means of Finance

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations.

Details of the Objects of the Issue:

1. Funding capital expenditure requirements of the Company

Our Company is setting up two additional Pipe Mills to increase our production capacity. These two mills will be situated at the land adjacent to our existing Pipe Mills. For details, see "*Our Business – Properties/ Land details*" on page 141. This expansion will increase our production capacity from 84,000 Metric Tons Per annum to 1,32,000 Metric Tons Per annum.

Further, we will be undertaking expansion of our existing furnace capacity by setting up of a new 15 Ton electric melting furnace at our existing unit thereby enhancing our production capacity to the extent of 1,04,232 MTPA from the existing capacity of 95,832 MTPA. This expansion will ensure the availability of primary raw materials i.e. MS Billets which is used in the production of HR Strips. HR Strips are used as main raw material in our Pipe Mills. This new electric melting furnace will also help in ensuring availability of HR strips for our additional pipe mills.

For further details, see "*Our Business – Our Strategies*" on page 127.

Our Board in its meeting dated September 2, 2021, approved an amount of ₹5,005.03 lakhs for funding the proposed capital expenditure from the Net Proceeds. Our Company has received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for the same. If the purchase of the equipment is not completed from the Net Proceeds, then the remaining costs shall be met from our internal accruals. No second-hand or used equipment are proposed to be purchased out of the Net Proceeds.

The break-down of such estimated costs are set forth below:

(₹ in Lakhs)

Item Specification	Supplier	Quantity	Estimated Cost [1] [2]	Date of Quotation
Pipe Mills Machinery				
Tube Mills Complete set with cutting cars and roll Set	PP Tube Mills Mfg. Co. Pvt. Ltd., Faridabad, Haryana	2	908.10	February 1, 2022
Compact Solid-State HF Welder CFE- 250kW	Inductotherm India Private Limited	2	107.38	February 1, 2022
Electrical Panels	Divya Electricals, Hyderabad	1 set	64.03	February 4, 2022
Pipe Mill Sheds, Foundation Works, other civil works and Labour Quarters	Sunil Associates, Hyderabad		1,626.04	February 4, 2022
Civil External Roads	Sunil Associates, Hyderabad		319.89	February 4, 2022
Pipe Racks Fabrication	Prakurti Engineering and Consultancy Services, Hyderabad		135.70	February 3, 2022
Double Girder Box Type EOT Cranes (5 Ton)	Shivpra Cranes Private Limited, Hyderabad	9	394.00	February 1, 2022
Double Girder Box Type EOT Cranes (7.5 Ton)	Shivpra Cranes Private Limited, Hyderabad	3	147.62	February 1, 2022
Oil Lubricated, Air Cooled, Fixed Speed Motor Driven Rotary Screw Compressor package	Amis Engineers, Secunderabad	2 sets	31.36	February 4, 2022
RP Oil and Cutting Oil	Jindal Coatings Private Limited, Hisar		27.85	February 4, 2022
Erection and Commissioning of Tube Mill Equipment	Prakurti Engineering and Consultancy Services, Hyderabad		48.68	February 4, 2022
Consultancy Design and Engineering Services	Elegant Industrial Consultant Private Limited, Indore		35.40	February 1, 2022
Electronic Weigh Bridge	Essae Digitronics Pvt. Ltd., Bangalore	1	17.41	February 4, 2022
33KV Sub-station Electrification works	Divya Electricals, Hyderabad		77.42	February 4, 2022
1500 KVA power Deposit	TSSPDCL		55.50	Estimate
2500 KVA transformer	Esennar Transformers (P) Ltd., Hyderabad		45.16	February 1, 2022
Stores & Spares			183.97	Estimate
	Total		**4,225.50**	
New Furnace				
15 Ton Furnace With Accessories & Transformer	Electrotherm (India) Limited		500.67	February 1, 2022
Pumps/Pipe Line	Andhra Pumps and Motors, Secunderabad		2.58	February 3, 2022
Stores & Spares			45.73	Estimate
	Total		**548.98**	
Transportation			230.55	Estimate
	Grand Total		**5,005.03**	

[1] *inclusive of taxes*

[2] *Estimated cost as per certificate dated February 10, 2022 issued by M/s. Maraya Engineering Consultants*

Note: *No second hand machinery is proposed to be acquired in the project. Certain equipment quotations and cost estimates are subject to additional charges including GST and other applicable taxes, freight, transit, installation costs, forward cost, commissioning charges, transportation costs, packaging costs, insurance, duties,* *and other government and statutory levies, as applicable, which will be paid from Net Proceeds or our internal accruals, as applicable.*

None of the suppliers/vendors from whom our Company proposes to purchase the equipment for proposed capital expenditure are related to our Company, our Promoters and Promoter Group. All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. In some cases validity is not mentioned in the quotation and same has been mentioned as N.A. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment at the manufacturing facilities, according to the business requirements of such facilities and based on the estimates of our management. The actual mode of deployment has not been finalised as on the date of this Red Herring Prospectus.

Our Company had applied with Telangana State Pollution Control Board (TSPCB) for enhancement of the licensed capacity of Unit I from of 1,26,000 MTPA to 6,86,400 MTPA and the same has been obtained from TSPCB on July 28, 2021. Further, in the present market scenario and increase in the demand for our products, we are planning to expand our existing installed capacity. We have utilized our manufacturing capacity to the extent of optimum level on the basis of licensed capacity. Hence, during the financial years 2019-20 and 2020-21, installed capacity of Unit I has not been fully utilized. For details of the licensed, installed and utilized capacity of our manufacturing facilities for Piping operations and Furnace Operations on quarterly basis for last 3 Fiscals and for six months period ended September 30, 2021, please see "*Our Business*" beginning on page 125. For further details, see "*Risk Factor – If we are unable to successfully implement our proposed expansion plans our results of operations and financial condition could be adversely affected*." beginning on page 22.

2. Funding working capital requirements of our Company

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from banks, financial institutions and our internal accruals.

(a) Existing Working Capital:

Our Company's existing working capital based on the Restated Financial Information is stated below:

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Assets			
Inventories	8,008.00	5,953.49	3,901.19
Trade receivables	1,962.91	2,277.60	1,048.58
Other current assets including other financial assets	507.33	543.83	680.16
Total (Other than Cash and Cash equivalents) (A)	**10,478.24**	**8,774.93**	**5,629.93**
Current Liabilities			
Trade Payables	429.93	1,492.72	770.78
Other current liabilities and financial liabilities	2,660.78	1,283.97	674.59
Provisions	0.19	2.11	9.86
Current Tax Liabilities (Net)	234.59	152.62	121.85
Total (B)	**3,325.48**	**2,931.42**	**1,577.08**
Working Capital Gap **(A-B)**	7,152.76	5,843.51	4,052.85
Less: Existing Bank Borrowings	3,196.17	3,250.57	1,879.30
Net Working Capital Requirement Funded through Internal Accruals and Loan funds	3,956.59	2,592.94	2,173.55
Assumptions for Working Capital Requirements:			

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Assets	No. of Days	No. of Days	No. of Days
Inventories	115	86	56
Trade receivables	28	33	15
Other current assets	7	8	10
Current Liabilities			
Trade Payables	9	50	33
Other current liabilities	54	43	29

Note: Pursuant to the certificate dated September 18, 2021, issued by Rakesh S. Jain & Associates, Chartered Accountants

(b) Future Working Capital Requirements

Our Company proposes to utilize ₹ 4,000 lakhs of the Net Proceeds for our working capital requirements. Out of the Net Proceeds, ₹ 4,000 lakhs will be utilized during Fiscal 2023 towards our Company's working capital requirements. Our Company will not be able to utilize Net Proceeds during Fiscal 2022 since we may not be able to receive Net Proceeds out of Issue in Fiscal 2022 as per indicative time table in respect of the Issue. For further details of indicative time table in respect of the Issue, see, "*Terms of the Issue - Bid/ Issue Programme*" on page 299. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated September 2, 2021, and key assumptions with respect to the determination of the same are mentioned below. Our Company's expected working capital requirements for Fiscal 2022 and Fiscal 2023 and the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2023
	Estimated	**Projected**
Current Assets		
Inventories	10,824.00	13,805.00
Trade receivables	4,639.00	11,282.00
Short term loans & advances and other Current Assets	1,711.00	1,777.00
Total (Other than Cash and Cash equivalents)	**17,174.00**	**26,864.00**
Current Liabilities		
Trade Payables	434.23	438.58
Other current liabilities	3,440.04	5,402.43
Provisions	430.73	721.99
Total	**4,305.00**	**6,563.00**
Working Capital Gap	12,869.00	20,301.00
Less: Existing Bank Borrowings	4,900.00	4,900.00
Net Working Capital Requirement	**7,969.00**	**15,401.00**
Proposed Working Capital to be funded from IPO	**Nil**	**4,000.00**
To be Funded through Internal Accruals and Other Loan funds	**7,969.00**	**11,401.00**
Assumptions for Working Capital Requirements:	No. of Days	No. of Days
Current Assets		
Inventories	96	65
Trade receivables	41	53

Particulars	As at March 31, 2022	As at March 31, 2023
Current Liabilities		
Trade Payables	7	3

Note: Pursuant to the certificate dated March 11, 2022, issued by Rakesh S. Jain & Associates, Chartered Accountants

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

Sr. No.	Particulars	Assumptions
Current Assets		
1	*Inventories:*	In order to achieve cost competitiveness and shorter lead times through constant innovation, we need to maintain efficient inventory levels. In Fiscal 2019, 2020 and 2021 our inventory days were 56 days, 86 days and 115 days respectively. We have estimated 96 days of finished inventory for the Fiscal ended March 31, 2022 and 65 days for the Fiscal ended March 31, 2023 due to efficient planning.
2	Trade receivables	In Fiscal 2019, 2020 and 2021 our receivable days were 15 days, 33 days and 28 days respectively. Due to the business growth and proposed expansion and the need for increasing the sales volume we estimate the receivable to be maintained at levels of 41 days for Fiscal 2022 and 53 days for Fiscal 2023.
3	Other current assets including other financial assets	The key items under this head are security with deposit with statutory authorities, advance to suppliers, advances etc.
Current Liabilities		
4	Trade payables	Our trade payables have been for 33 days, 50 days and 9 days for fiscal 2019, 2020 and 2021 respectively. However, going forward we estimate to maintain payables at 7 days for Fiscal 2022 and 3 days for Fiscal 2023 to avail best pricing and also buy from large suppliers.
5	Other current liabilities	Other current liabilities include current maturities of long term debts, provisions, statutory dues, expenses payable etc.

Note: *Pursuant to the certificate dated September 18, 2021 issued by Rakesh S. Jain & Associates, Chartered Accountants*

Details of ageing analysis of all the amounts / payments due to the creditors during the last three (3) fiscals and during six months period ended on September 30, 2021

Details of trade payables as per Restated Financial Statements of the Company:

(in ₹ lakhs)

Fiscal/ Period	<60 Days	61-180 Days	181-365 Days	>365 Days
For six months period ended September 30, 2021	1,003.56	-	-	-
2021	429.93	-	-	-
2020	1,492.72	-	-	-
2019	770.78	-	-	-

Actual Number of holding days of trade payables as per Restated Financial Statements of the Company:

(in ₹ lakhs)

Fiscal/ Period	Outstanding Amount (in ₹ lakhs)	Net Holding Number of Days
For six months period ended September 30, 2021	1,003.56	24
2021	429.93	9
2020	1,492.72	50

Fiscal/ Period	Outstanding Amount (in ₹ lakhs)	Net Holding Number of Days
2019	770.78	33

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

ISSUE EXPENSES

The total expenses of the Issue are estimated to be approximately ₹[●] lakhs. The Issue related expenses include fees payable to the Lead Managers and legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the Issue expenses is as follows:

Activity	Estimated expenses(1)(5) (₹ in lakhs)	As a % of the total estimated Issue expenses(1)	As a % of the total Issue size(1)
BRLM fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Banks and Bankers to the Issue. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (2)	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the other advisors to the Issue and Statutory Auditors	[●]	[●]	[●]
Others	[●]	[●]	[●]
- Listing fees, SEBI filing fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
- Printing and stationery	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Fee payable to legal counsels	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

(1) To be incorporated in the Prospectus post finalization of the Issue Price.

For SCSBs

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.20% 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

(3) No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them

(4) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

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

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021

For Syndicate (including their sub-Syndicate Members), RTAs and CDPs

(5) Selling commission on the portion for Retail Individual Bidders using UPI Mechanism and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders#	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders#	*0.20% of the Amount Allotted* (plus applicable*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*
**Amount of selling commission payable to Registered Brokers, RTAs/CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which RTAs/CDPs the commission is payable to, the terminal from which the bid has been uploaded will be taken into account.*

(6) 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. 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.

(7) The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

(8) The Selling Commission payable to 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

- ***Uploading Charges/ Processing Charges** of ₹ 10 per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

  - for applications made by Retail Individual Investors using the UPI Mechanism

- ***Uploading Charges/ Processing Charges** of ₹ 10 per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- for applications made by Retail Individual Bidders using 3-in-1 type accounts
- for Non-Institutional Bidders using Syndicate ASBA mechanism / using 3- in -1 type accounts,

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(9) Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders and Non Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing:

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

The bidding/ processing/ uploading charges payable to Syndicates/ sub-syndicates members, SCSBs, RTAs, CDPs, Registered Brokers shall be subject to total commission payable being maximum of ₹ 30 lakhs plus applicable taxes. In case the total commission payable exceeds ₹ 30 lakhs, the commission will be paid on proportionate basis.

For Sponsor Banks

Uploading charges/ processing fees for applications made by for Retail Individual Bidders using the UPI Mechanism would be as under:

Sponsor Banks	
Axis Bank Limited	*₹ 7 per valid application (plus applicable taxes).*
HDFC Bank Limited	*₹ 8 per valid application (plus applicable taxes).*
ICICI Bank Limited	*₹ 8 per valid application (plus applicable taxes).*

The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

Bridge Financing Facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Means of finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations.

Interim use of Net Proceeds

Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only 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. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the shares of any listed company.

Monitoring of utilization of funds

Our Company has appointed Axis Bank Limited as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Board and the monitoring agency will monitor the utilisation of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with 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 utilization of the proceeds of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised 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 ("**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 Marathi, being the regional language of Maharashtra, where our Registered Office is situated in accordance with the Companies Act and applicable rules. Our Promoters 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, in accordance with our Articles of Association, and the SEBI ICDR Regulations.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised by any bank or financial institution.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue

Other confirmations

None of our Promoter, Directors, key managerial personnel, Promoter Group or Group Companies will receive any portion of the Issue proceeds.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares offered in the Issue 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 face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled '*Risk Factors*' and '*Financial Information*' on pages 22 and 177, respectively, to get a more informed view before making the investment decision.

Qualitative Factors

- Integrated nature of the operations
- Environment friendly manufacturing process
- Strategic Location of manufacturing Units
- Competitive pricing of the products
- Experienced Promoters and management Team

For details please refer to the paragraph "*Our Business - Our Strengths*" on page 125.

Quantitative Factors (Based on Restated Financial Statements)

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

1. ***Basic & Diluted Earnings Per Share (EPS):***

Fiscal Year/ Period	Basic EPS (₹)	Diluted EPS (₹)	Weights
2021	10.64	9.80	3
2020	5.98	5.93	2
2019	7.34	7.34	1
Weighted Average	**8.54**	**8.10**	
For six months period ended September 30, 2021	15.12	15.12	

**Earnings per share for the six months ended September 30, 2021 is not annualized*
Notes:
1. Basic EPS and Diluted EPS calculations are in accordance with notified Indian Accounting Standard 33, 'Earnings per Share'., notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Indian Accounting Standard) Rules, 2015.
2. Basic Earnings per share = Net profit after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
3. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
4. The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.
5. Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.
6. The figures disclosed above are based on the Restated Financial Statements of our Company.

2. **Price to Earnings (P/E) ratio in relation to Price Band of ₹144 to ₹153 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 Fiscal 2021	13.53	14.38
Based on Diluted EPS for Fiscal 2021	14.69	15.61

a. Industry P/E

Industry P/E	
▪ Highest	103.16
▪ Lowest	11.43
▪ Average	57.30

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, please see the paragraph entitled "Comparison of Accounting Ratios with Listed Industry Peers" on next page.

(2) P/E figures for the peers are based on closing market prices as on March 21, 2022 mentioned on BSE website.

3. ***Average Return on Net Worth***

Fiscal year/ Period ended	Return on Net Worth (%)	Weights
2021	21.38	3
2020	16.37	2
2019	22.22	1
Weighted Average	**19.85**	
For six months period ended September 30, 2021	**15.37**	

**The return on net worth for the six months ended September 30, 2021 is not annualized.*

Notes:

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

(2) Return on Net Worth ratio: restated profit for the year, attributable to equity shareholders of the company divided by the Net Worth at the end of the year/period.

(3) The weighted average return on net worth is a product of return on net worth and respective assigned weight, dividing the resultant by total aggregate weight.

4. ***Net Asset Value ("NAV") per share (face value of each Equity Share is ₹10)***

Fiscal/ Period ended	NAV (₹)(1)
As on September 30, 2021	49.19
As on March 31, 2021	49.79
After the Issue (At Floor Price)	80.91
After the Issue (At Cap Price)	83.91
Issue Price(2)	[●]

Notes:

(1) Net asset value per Equity Share is calculated as restated net worth at the end of the period/year divided by weighted average number of equity shares outstanding at the end of the period / year.

(2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

5. **Comparison with Listed Industry Peers**

Name of the Company	Total Income (₹ in lakhs)	Face Value per equity share (₹)	P/E Ratio(2)	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share(3) (₹)
Hariom Pipe Industries Limited***	25,482.31	10.00	[●]	10.64	9.80	21.38%	49.79
Listed Peers							
APL Apollo Tubes Ltd.	6,05,200.07	2.00	78.33	12.34	12.30	10.61%	116.00
Hi-Tech Pipes Ltd	1,02,728.43	10.00	41.36	13.75	12.50	8.66%	154.99
Rama Steel Tubes Ltd.	32,883.47	5.00	103.16	3.24	3.24	6.08%	52.68
JTL Infra Ltd	44,036.86	2.00(7)	11.43	18.91	18.91	20.70%	91.36

Notes:

(1) Source: All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced

from the annual reports as available of the respective company for the year ended March 31, 2021 submitted to stock exchanges

(2) P/E figures for the peers are based on closing market prices as on March 21, 2022 mentioned on BSE website.

(3) Basic Earnings per share = Net profit after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.

(4) Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.

(5) Net asset value per Equity Share is calculated at the end of the period/year divided by weighted average number of equity shares outstanding at the end of the period / year.

(6) Return on Net Worth ratio: restated profit for the year, attributable to equity shareholders of the company divided by the Net Worth at the end of the year/period.

(7) Stock split from ₹10 to ₹ 2 w.e.f. October 13, 2021.

***Our financial information is derived from our Restated Financial Information for the year ended March 31, 2021.

6. **The Issue price is [●] times of the face value of the Equity Shares**

The Issue Price of ₹[●] is 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 above mentioned information along with "*Risk Factors*", "*Our Business*", "*Restated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 125, 177 and 263, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
Hariom Pipe Industries Limited
Plot 3-4-174/12/2, 1st Floor,
Samarpan lane beside Spencer's Pillar No. 125,
Attapur, Hyderabad, Telangana – 500048

Dear Sirs,

Re: Statement of possible Special Tax Benefits (the "Statement") available under the Direct and Indirect Tax laws to Hariom Pipe Industries Limited (the "Company") and its Shareholders, prepared in accordance with the requirements under Para 9 (L) of Part A under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

We report that the enclosed statement in the **Annexure**, states the possible special tax benefits under direct and indirect tax laws including the Income-tax Act 1961, Goods and Services Tax Act, 2017, Customs Act, 1962 and Foreign Trade Policy 2021-2026 relevant to the financial year 2021-22 presently in force in India, available to the Company, and its shareholders for inclusion in the red herring prospectus ("RHP") and prospectus (**"Issue Documents"**). Several of these benefits are dependent on the Company and its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future and accordingly the Company, and its shareholders 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 proposed issue of equity shares (the "Proposed Issue) by the Company. Neither are we suggesting nor advising the investor to invest in the Proposed Issue based on this statement.

We do not express any opinion or provide any assurance as to whether:

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above and in the statement. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Proposed Issue or to any third party relying on the statement.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements)Regulations, 2018, as amended.

We hereby give consent to include this statement of special tax benefits in the Red Herring Prospectus and Prospectus and in any other material used in connection with the Proposed Issue.

Yours faithfully,

For and on behalf of
M/s Rakesh S Jain & Associates
Chartered Accountants

Firm Registration Number: 010129S

Pankaj Chandak
Partner
ICAI Membership Number: 229355
Date: February 10, 2022
Place: Hyderabad

Encl: As above

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO HARIOM PIPE INDUSTRIES LTD. (THE "COMPANY") AND ITS SHAREHOLDERS

1. Special tax benefits available to the Company

Type of Tax	Act	Under Section	Description
Direct-tax	Income Tax Act, 1961	80JJAA	***Deduction in respect of employment of new employees.*** 80JJAA. (1) Where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, there shall, subject to the conditions specified in sub-section (2), be allowed a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

2. Special benefits available to the Shareholders.

   There are no special tax benefits available to the shareholders of the Company for investing in the shares of the Company.

SECTION V: ABOUT THE COMPANY
INDUSTRY OVERVIEW

The information contained in this section is derived from updated Company commissioned Marketysers Global Consulting Industry Report titled "India Steel & Steel Products Analysis & Forecast, 2026" dated February 10, 2022 ("Marketysers Global Consulting Industry Report") which has been exclusively prepared Marketysers Global Consulting LLP, appointed on July 27, 2021, for the purpose of the issue and is commissioned and paid for by our Company. Unless specified otherwise, all information in this section has been derived from company commissioned Marketysers Global Consulting Industry Report. Given the scope of Marketysers Global Consulting Industry Report, disclosures are limited to certain excerpts and the Marketysers Global Consulting Industry Report has not been reproduced in its entirety in this Red Herring Prospectus. No material parts or data or information that may be relevant for the proposed Issue have been left out or changed in any manner. Marketysers Global Consulting LLP who has provided Marketysers Global Consulting Industry Report, is not related to our Company, our Promoters and our Directors. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

The Marketysers Global Consulting Industry Report is available inspection on the website of our Company at https://hariompipes.com/investorrelations.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

1 Market Synopsis

1.1 DEFINITION OF STEEL & STEEL PRODUCTS

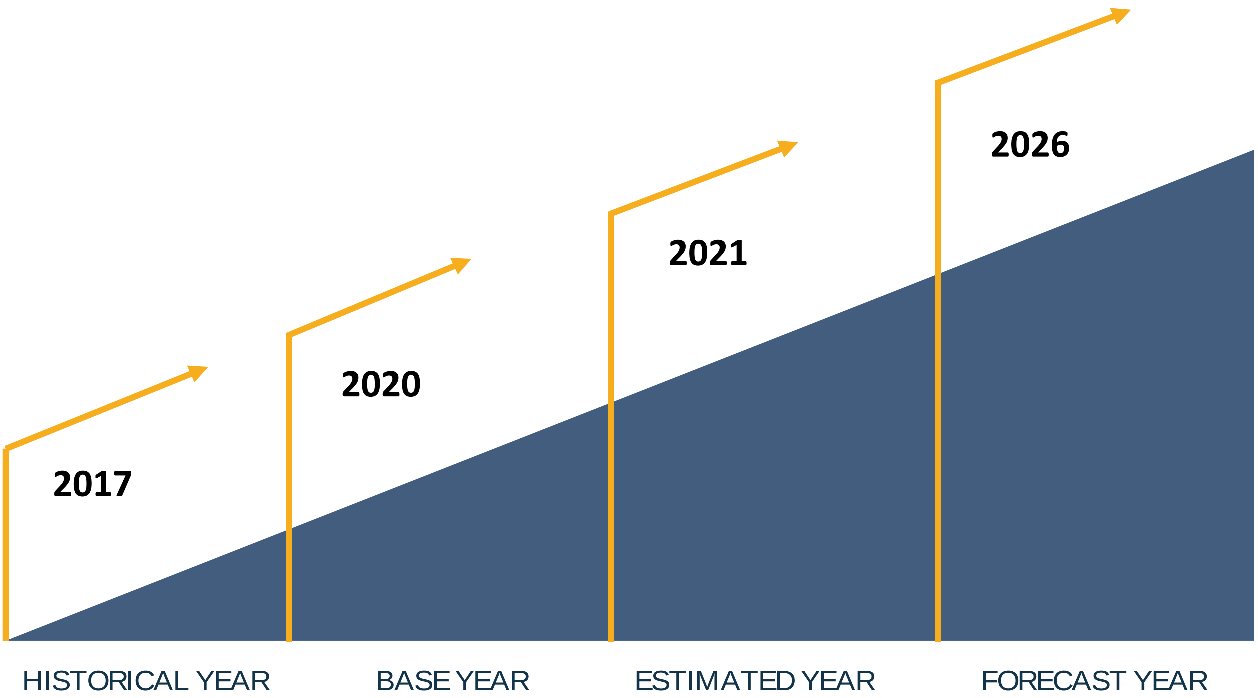
According to world steel Iron is made by removing oxygen and other impurities from iron ore. When iron is combined with carbon, recycled steel and small amounts of other elements it becomes steel. Steel is an alloy of iron and carbon containing less than 2% carbon and 1% manganese and small amounts of silicon, phosphorus, sulphur and oxygen. Steel is the world's most important engineering and construction material. It is used in every aspect of our lives; in cars and construction products, refrigerators and washing machines, cargo ships and surgical scalpels.

1.2 Research Scope & Premise

The report provides market value for base year 2020 and a yearly forecast from 2021 to 2026 in terms of revenue (USD Million) & Volume (Million Tons). The market for each aforementioned segment is present in the region as well as country-basis for the above-mentioned forecast period.

Key industry dynamics, regulatory scenario, major grade dynamics, method dynamics, application dynamics, end-use dynamics, and Indian steel & steel products market future markets are analyzed to understand their impact on demand for the forecast period. Growth rates have been estimated using correlation, regression, and time-series analysis.

Years considered in the study



1.3 Research Methodology

A research methodology is a systematic approach for assessing or conducting a market study. Researchers tend to draw on a variety of both qualitative and quantitative study methods, inclusive of investigations, surveys, secondary data, and market observation.

Such plans can focus on classifying the products offered by leading market players or simply use statistical models to interpret observations or test hypotheses. While some methods aim for a detailed description of the factors behind an observation, others present the context of the current market scenario.

1.4 Assumptions & Limitations

Parameter	Description
Market Value	For the Indian steel & steel products market study value is considered in USD Million
Market Volume	For the Indian steel & steel products market study volume is considered in Million Tons
Exchange Rate	The exchange rate fluctuations are assumed to be stable enough, that it does not have a significant effect on market forecasts
Price	Average Selling prices are considered
Economic & Political Stability	It is assumed that all countries have economic & political stability

2 Executive summary

2.1 Executive Summary

The global steel sector is growing at a strong pace considering the saturation of the sector.

The growing demand for finished steel goods and ever growing end use industries is contributing to the growth of steel sector globally. The world crude steel production was over 1.8 Billion tons which was a 3% growth from the previous year.

Steel is primarily used for infrastructural projects for residential, industrial, and other purposes. Now the countries that were previously underdeveloped are picking up the pace and trying to be at par with the developed countries. For this, infrastructure is a must, and thus, products of this industry will prove to be useful and in demand. The prospects for this industry, as deciphered by our analysts, is very optimistic and encouraging. Thus, the market valuation for this industry is supposed to grow in the forecasted period. Also, the market is supposed to record a CAGR of strong growth by the year 2026. The impacts of the pandemic have been severe in this market. However, it is assumed that once the lockdown phase is over, the market will surely find its footing.

2.1.1 Steel production by country

TABLE 1 Steel production by country, (thousand metric tons)

Country	2016	2017	2018	2019	2020	2021
Austria	7438	8135	6885	7424	6765	7920
Belgium	7687	7842	7980	7760	6119	6950
Germany	42080	43297	42435	39627	35680	40066
France	14413	15505	15387	14450	11596	13947
Italy	23312	24007	24496	23190	20379	24400
Spain	13616	14441	14320	13588	10998	14040
UK	7635	7491	7268	7218	7086	7360
Turkey	33163	37524	37312	33743	35810	40360
Russia	70453	71491	72122	71897	71621	75970
Ukraine	24218	21417	21100	20848	20616	21366
Canada	12646	13208	13443	12897	10986	12770
Mexico	18824	19924	20204	18387	16803	18400
The U.S.	78475	81612	86607	87761	72732	86012
Brazil	31642	34778	35407	32569	31415	36039
Egypt	5036	6870	7807	7257	8229	10294
South Africa	6141	6301	6327	6152	3877	5020

Country	2016	2017	2018	2019	2020	2021
Iran	17895	21236	24520	25609	28990	28460
China	807609	870855	928260	996342	1064732	1032790
India	95477	101455	109272	111351	100256	118134
Japan	104775	104661	104319	99284	83186	96334

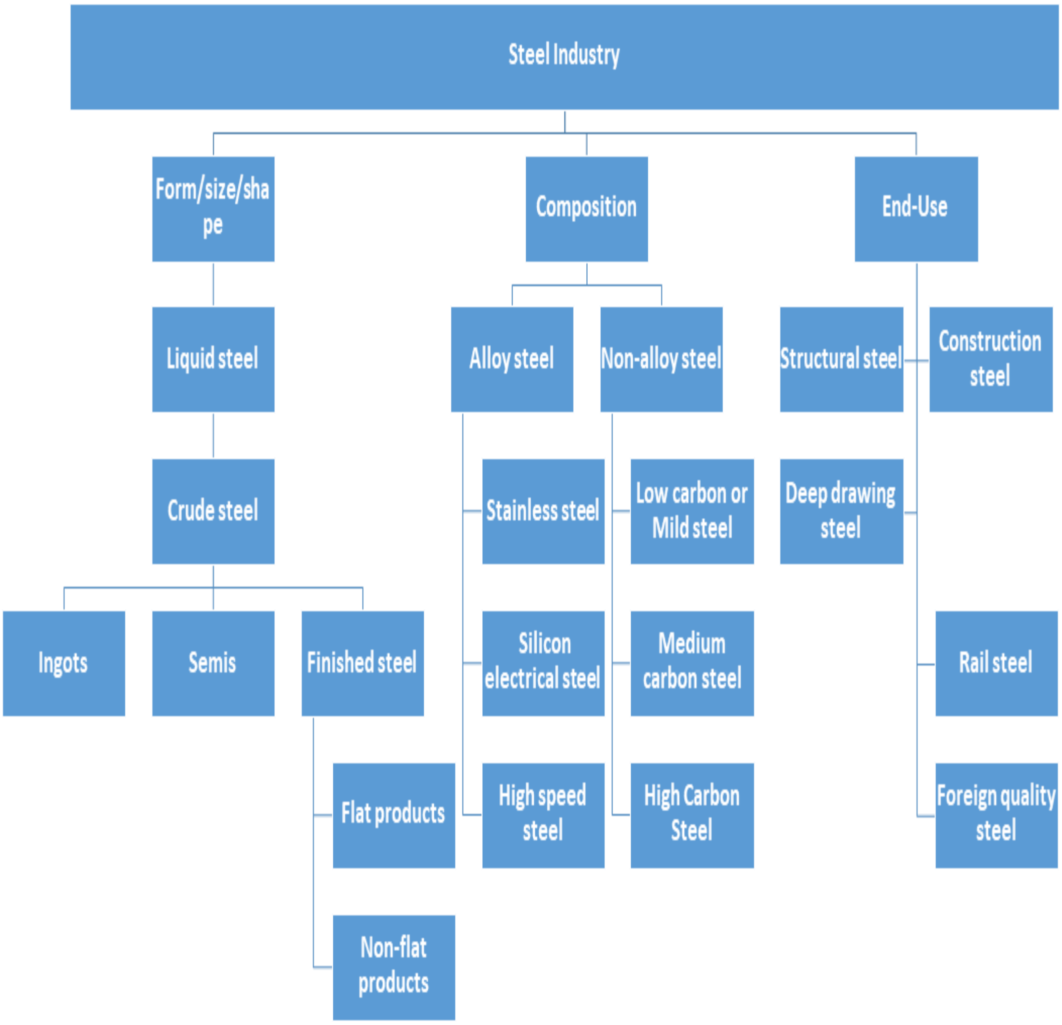
Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

The key summary is elucidated as follows:

Steel segment is projected to witness a considerable growth rate during the forecast period. Its traits like high tensile strength, density, and longevity as compared to other steel types, which is resulting in its growing popularity in industrial machinery, aerospace & automotive applications.

Automotive & transportation segment held a strong market share in 2020. The high demand for this steel in tubing, springs, and fasteners in the automotive sector contributes to the market share held by this segment. Furthermore, increasing demand for high performance, high-end cars also contributes to the elevated demand for this metal, which is attributed to its traits like corrosion resistance, stress cracking, and ductility.

Steel market



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3 Covid-19 impact analysis

3.1 Macro indicators

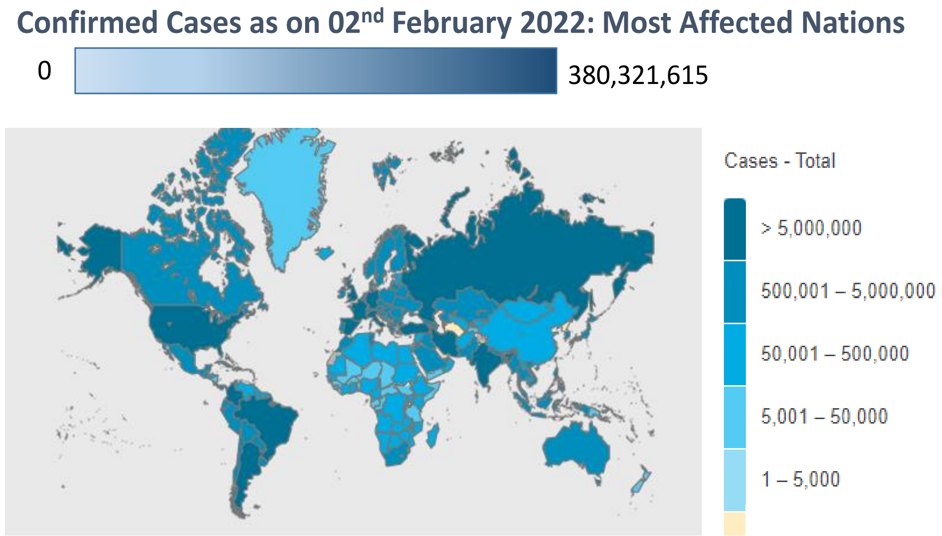
3.1.1 Market scenario: demand and supply outlook

The coronavirus outbreak has overturned major economic sectors in the U.S., where the pandemic slowdown has deeply impacted the business and jobs. In the global pandemic scenario, the global GDP fall by 2%, where developing countries accounted for 2.5% fall in GDP along with 1.8% in industrial countries as a result of slowing down of economic activities, with supply and demand disruptions. With increasing awareness about potential risks of COVID-19 across the globe, there have been massive efforts to add capacity and strength to the healthcare system rapidly. As a result of the novel corona virus pandemic governments has pushed several nations toward a lockdown. However, nowadays most of the countries are withdrawing lockdown measures due to COVID-19.

Spread of COVID 19 has disrupted economic activities and has negative impact on major industries like manufacturing along with service industry. COVID 19 has dramatically diminished consumer discretionary spending to a freeze on business activities including hiring, capital budgets, and reduction in essential operational expenses. Levying of import tariffs and export restrictions adds to the supply crisis in the market in the wake of the COVID-19 outbreak.

Like every other market, the Indian steel & steel products market has been significantly impacted by the noble virus. The manufacturers in the industry are witnessing a crunch from both the demand and supply sides. On the demand side, the outbreak of the pandemic has led to several macroeconomic challenges that have prompted the delay or suspension of investment decisions for both large and small-scale projects under development, which in turn is further resulted in demand destruction of Indian steel & steel products at these facilities.

COVId-19 cases in 2020 among major affected nations



Source: Worldometer estimates

An impact analysis on COVID-19 suggests that there has been a notable drop in demand and consumption of Indian steel & steel products across the world in the last ten months, owing to the shutdowns trade restrictions. Well-known Indian steel & steel products producers have been adopting specific tactics to mitigate the impact of SARS-CoV-2 on their business by appraising their dealerships. The short-term impact and long-term impact of COVID-19 on the Indian steel & steel products industry has resulted in the closing of manufacturing plants.

3.1.1.1 Shutdown of factories

As per the International Labor Organization, the Indian steel & steel products industry are witnessing a massive drop in demand and investment due to the covid-19 pandemic situation. It struggles with a widespread stoppage of economic activity, as workers stay at home, supply chains come to a halt, and factories are shut down. Restrictions imposed on citizens' movement and the sudden stoppage of economic activity is anticipated to affect severe contraction in the Gross Domestic Product. Companies engaged in prescheduled delivery contracts have delayed delivery date for local and global clients, at predetermined prices have to procure raw material at high prices disturbing operating cost.

With an adverse multiplier effect on the economy through backward and forward linkages, especially in developed countries, the industrial sector plays a vital role as a growth driver. Production plants halting is the most persistent challenge faced by this market, the downfall in production has lowered the demand for the chemicals required to produce end use products, resulting in lower capacity utilization, and cost pressure to sustain in the market for the companies.

On the supply side, as the measure is taken to control the spread of the virus is compelling the chemical and petrochemical manufacturers to reduce operating rates of their stream crackers and polypropylene/polyethylene production units, which has not only caused the shortage of raw material availability for a large number of Indian steel & steel products manufacturers but has also resulted in volatility in the prices of these raw materials worldwide. This disruption in the supply chain and the unavailability of the manufacturers to find alternative raw materials suppliers on the fact that international sea logistics systems have been heavily impacted by the virus have compelled the manufactures engaged in the Indian steel & steel products business to reshape their current and adapt strategies that can enable them to strengthen their supply chain. The global demand has stagnated, and historical capacity expansion has given way to regional overcapacity with a global average utilization of about 40-70%. Another challenge stems from the intensive capital investment required, and many manufacturing companies struggle to generate returns beyond their investment. However, local manufacturers may invest in capacity, increasing last mile production.

3.1.1.2 Shortage of labor workforce

The production of Indian steel & steel products had entirely stopped in this region owing to the pandemic. However, the sales continued are recovering through industrial sector. Currently, the manufacturing is working overtime to catch up with that pent-up demand. Besides, Indian steel & steel products production has returned nearly too pre-virus levels. Yet, the staffing levels within most manufacturing plants have not fully recovered. To refrain the virus from spreading inside the factories, the laborers are following strict guidelines to stop the spread of corona virus and if any is found to be COVID-positive, they were put in quarantine. It had created gaps in the production line that haven't been easy to fill despite the high national unemployment rate. The overall impact on employment in the Indian steel & steel products industry and its supply chains is unknown.

3.1.1.3 Impact on global trade

Global countries were aiming at securing critical material supply to protect local industries during lockdown. As shocks and disruptions in supply of these materials have become more prominent the government is emphasizing on local productions to combat trade restrictions. As the domestic demand subdued, the increase in import export mainly for rubber products will help in recovering of the industry post COVID.

The COVID-19 pandemic represents an unprecedented disruption to the global economy and world trade, as production and consumption are scaled back across the globe. The performance of cargo transport services is important to trade costs in manufacturing. Since the beginning of the COVID-19 crisis, maritime and land transport have remained largely functional, although they have registered sometimes considerable delays, but air freight transport has been severely disrupted.

3.1.1.4 Supply chain stabilization

The companies have continued to operate through the pandemic, focusing on complying with health and safety requirements while protecting their financial strength. Besides, governments are expected to take proactive actions to support the industry. Manufacturers are taking steps to protect cash flow and strengthen their financial position amid decreased demand, including:

- Achieve cost savings by abating nonessential expenses and reducing labor costs.
- Cut down capital expenditures by postponing ongoing projects where possible and restricting maintenance to critical projects.
- Maintain working capital by adjusting inventory levels to market conditions and through other strategies.
- Boosting liquidity by withdrawal credit lines and suspending dividends payments and share repurchase programs, among others.

Companies ensure that manufacturing plants comply with new health and safety regulations and government standards in response to covid-19. The work can be performed with a high degree of safety because of plants' tightly controlled work environment, low personnel density, and the fact that much of the work takes place outdoors. In the short term, merger and acquisition activity is expected to be constrained as deals will be more challenging to complete. However, large, well-capitalized companies could seek to acquire smaller companies struggling due to the medium term's pandemic.

Producers are responding to new supply and demand dynamic by shutting down high cost supply and high grading resulting in new supply demand equilibrium often at lower levels than seen previously. Market changes and demand shock and trade restrictions affects trade flows which has led to divergent price trajectories as government stimulus packages alter end use sector responses.

3.1.1.5 MAJOR ECONOMIES: EPICENTERS OF THE COVID-19 OUTBREAK

When the covid19 pandemic started in China it sends its shock waves to countries across the globe. As the number of cases across the globe was on the rise, it caused the governments across the world to take drastic action in the form of lockdowns and implementing strict social distancing measures, in order to stop the impending catastrophe. These actions had a dramatic impact on the global economy, as the industrialist across the globe were forced to halt their production, leading to supply chain disruptions and impairing of various industries. Thus, plummeting the global markets. With China being the epicenter of this pandemic, the exports demand shrinks to these countries due to travel restrictions. However, possible interventions by the government such as policies providing transport subsidies for export commodities. One of the major disruptions to the globally rising demand for Indian steel & steel products is logistics and production. Companies relying on Asian countries for supply has been hit with supply crunch as the flow of materials was restricted, thus rising importance of local players in the market to fulfill demand from end use sectors which are ramping up productions. Companies are relying on lowering capital expenditure directed to the mines with the highest margins and lowest operating cost as companies are focusing on rebuilding profitability.

3.1 REPORTS AND DATA ANALYSIS

3.1.1 UPCOMING STRATEGIES REQUIRED TO COMBAT THE CURRENT SITUATION

- Many manufacturers will likely soon face liquidity issues as operating cash flow diminishes during the crisis. So, they are tightly managing cash flow and reviewing all non-existential expenses to weather the storm, e.g., hiring freezes, delaying Capex plans, etc. Moreover, several producers are bargaining higher credit lines with their banks to survive the crisis.
- Also, government aids might be necessary to prevent bankruptcies, job loss, funding for short-term work, short-term financing, tax deferrals, etc. The dealers and suppliers are similarly vulnerable to a sustained period of missing out on operating cash flows, e.g., due to a forced shutdown of dealer sales operations in many countries.
- Form an operating model for responses related to supply chain interventions. Identify key stakeholders, formulate governance, set up communication channels, and define processes to identify, prioritize, and manage interventions. Appoint a comprehensive and single point of responsibility for owning the response plan. Once verified, the center coordinates responses—from definition and alignment to communication.
- Estimate a disruption event with the help of big data, intelligent systems, and connected ecosystems. Identify the potential exposure of each component to risk up the supply chain and prioritize risks accordingly. Evaluate the risk impact, both financially and operationally, model scenarios, and evaluate alternatives.
- Develop a detailed action plan for components and suppliers with the most significant impact and decide which response actions to take, by whom, and with what trade-offs/considerations. An effective strategy uses a blend of levers, including shift sourcing to other geographies, identify alternative suppliers, ad hoc negotiations, and safety stock.

Indian Steel Industry Analysis

3.2 Indian Macroeconomic review

The Indian economy was impacted by the global pandemic caused by COVID-19 and still recovering from the impacts of this virus. The economic growth hindered in the last year and businesses are still trying to recover from the downfall caused due to the pandemic in 2020. The real Gross Domestic Product (GDP) growth is projected to contract in 2020-21 as compared to a strong growth in 2019-20. GDP growth, however, is expected to rebound strongly in 2021-22 owing to the reform measures undertaken by the Government.

3.2.1 GDP Growth

TABLE 2 Indian GDP, 2017-2021

Year	GDP (% Growth)	Growth/Decline
2017	6.80%	Decline 1.46%
2018	6.53%	Decline 0.26%
2019	4.04%	Decline 2.49%
2020	-7.96%	Decline 12.01%
2021	9.50%	Growth 17.60%

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

TABLE 3 Indian GDP, 2022-2026 (Forecasted)

Year	GDP (USD BILLION)	GDP GROWTH
2022	3,312.95	8.63%
2023	3,591.03	8.39%
2024	3,884.73	8.18%
2025	4,199.01	8.09%
2026	4,534.34	7.99%

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.2.2 GDP per capita

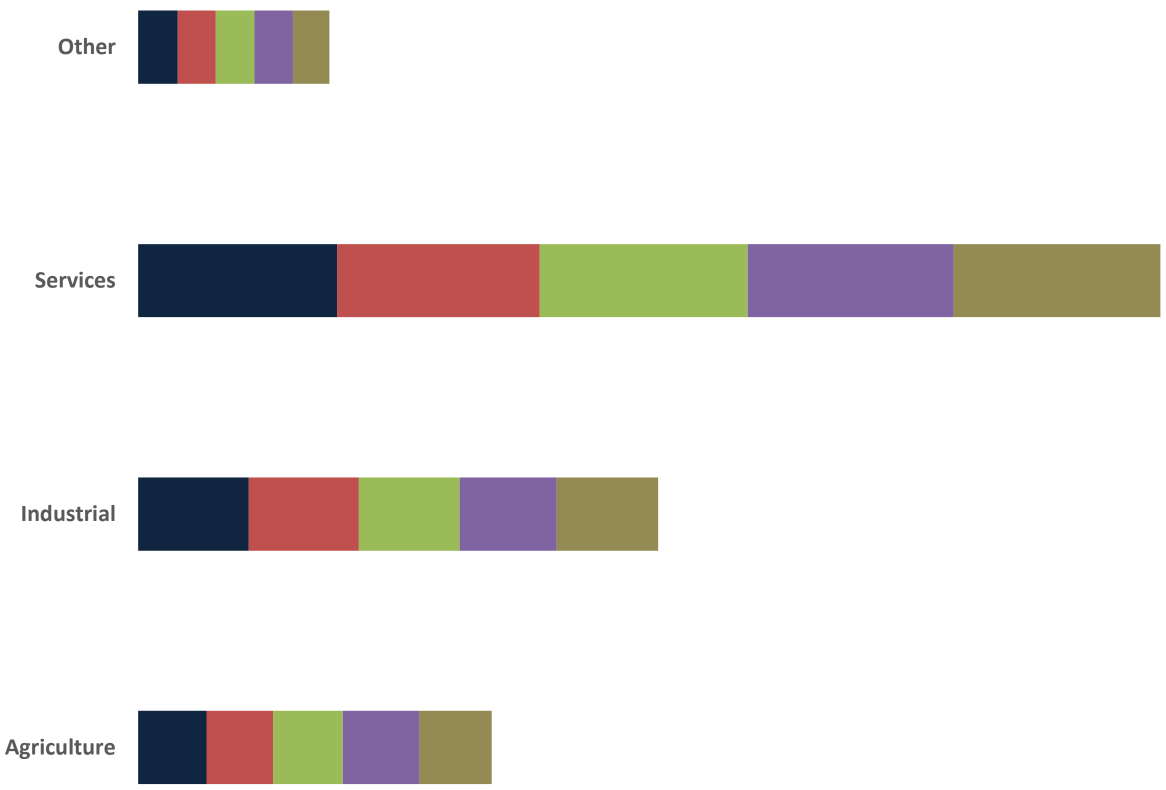
TABLE 4 GDP per capita, 2017-2020 (Historical), 2021-2026 (forecasted)

Year	GDP Per Capita (USD)
2017	1,980.69
2018	1,996.95
2019	2,098.93
2020	1,964.88
2021	2,190.90
2022	2,357.64
2023	2,532.09
2024	2,714.71
2025	2,908.84
2026	3,114.63

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.2.3 Share of GDP by sector (highlighting share of Sponge Iron / Pipes industry)

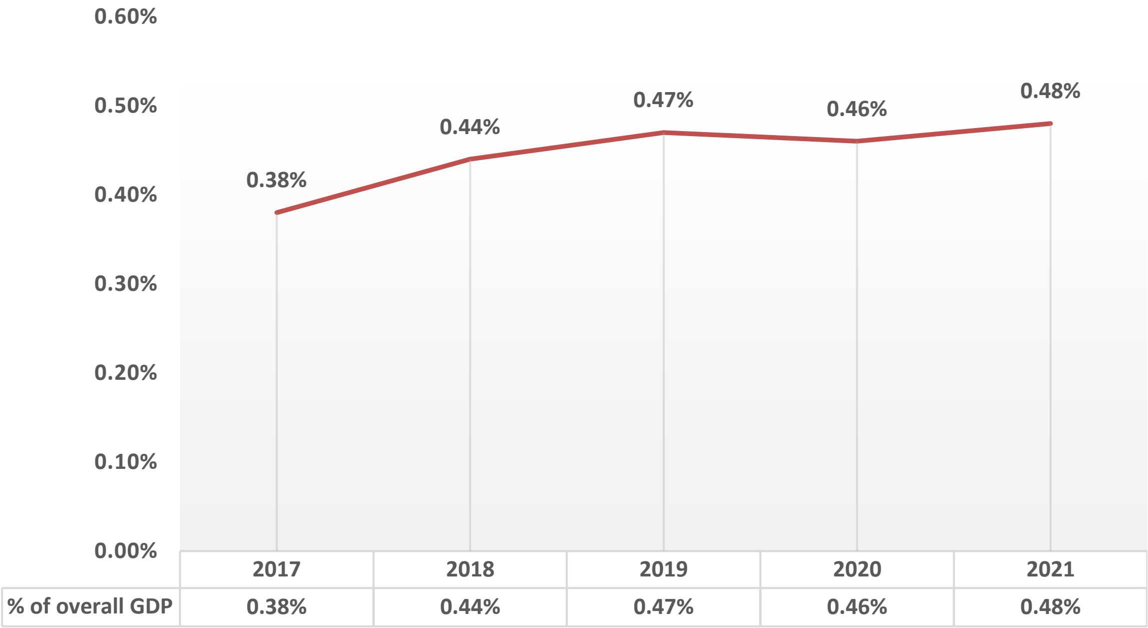
Share of indian GDP by sector



	Agriculture	Industrial	Services	Other
2017	16.36%	26.50%	47.67%	9.47%
2018	15.97%	26.38%	48.51%	9.14%
2019	16.68%	24.18%	49.86%	9.28%
2020	18.32%	23.21%	49.27%	9.20%
2021	17.38%	24.29%	49.58%	8.75%

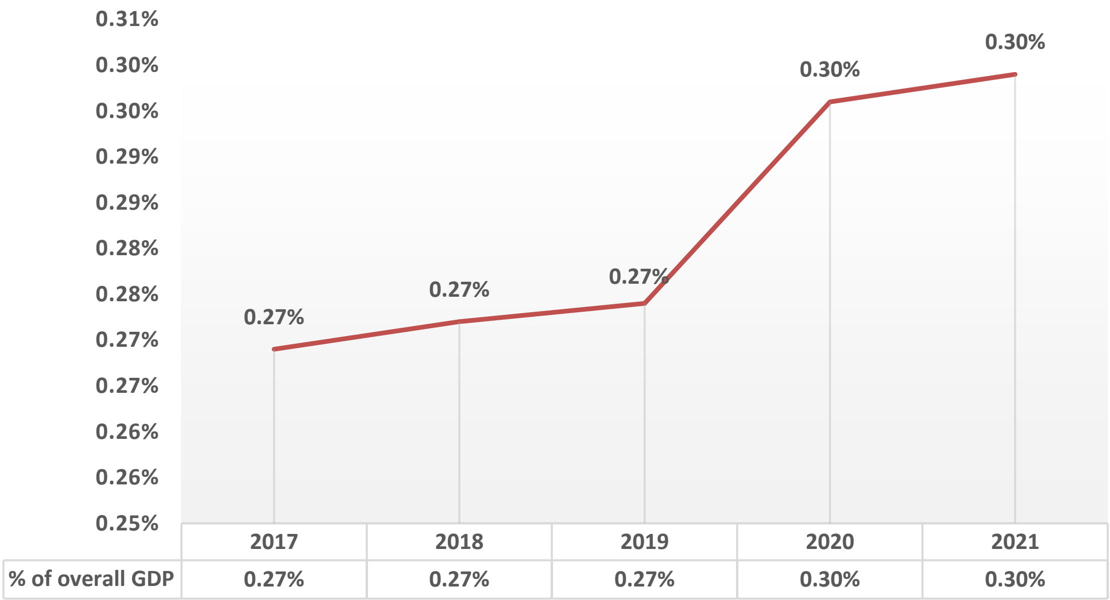
Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

Share of Indian GDP by Sector (SPONGE IRON)



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

Share of Indian GDP by Sector (Steel Pipes Industry)



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

Steel sector in India is also experiencing a vital growth and is anticipated to witness high gains in next years. The major reason for the steel pipe market is the rise in demand from the oil and gas industry. The oil and gas sector is expanding, and they are now being found at greater depths than before. The new levels at which the pipes are being placed are a hostile environment of high temperatures and pressures for the pipes. Enhancement in technology in directional drilling demand high strength and flexible pipes and seamless steel pipes are able to meet the criteria. Steel pipes are witnessing high market growth and is anticipated to be a major product in forecast timeframe. Growth in the oil and gas industry is leading to an increased demand for the Steel Pipes and Tubes market. Innovations across the oil and gas industry, such as horizontal drilling in the US, are leading to an increase in the consumption of steel pipes because of their ability to access remote locations and deep-water regions. This is further propelling the demand for the market. Development of infrastructure, especially in the developing countries, is leading to the construction of more buildings, and steel pipes are used in making handrails and pipe bollards, for their properties like being able to be formed in many shapes and sizes. Steel tubes offer low or reduced maintenance costs, along with being inexpensive in the first place. This is leading to an expansion in the market of steel tubes.

3.3 Overview of Steel Industry

3.3.1 Overview of global steel demand and India's position in global steel industry

During the period 2021-2026, the demand for steel would be majorly driven by growth in the construction and automotive sectors. Steel in the form of alloy sheets are used in automotive applications, and beams and pillars are extensively used in construction works. Thus the combination of both would majorly contribute to the global demand for the alloy in the forecast period. Pipes and tubes are manufactured using crude steel; stainless steel are extensively used in manufacturing household appliances and utensils, whereas nuclear infrastructure is built using alloy steel.

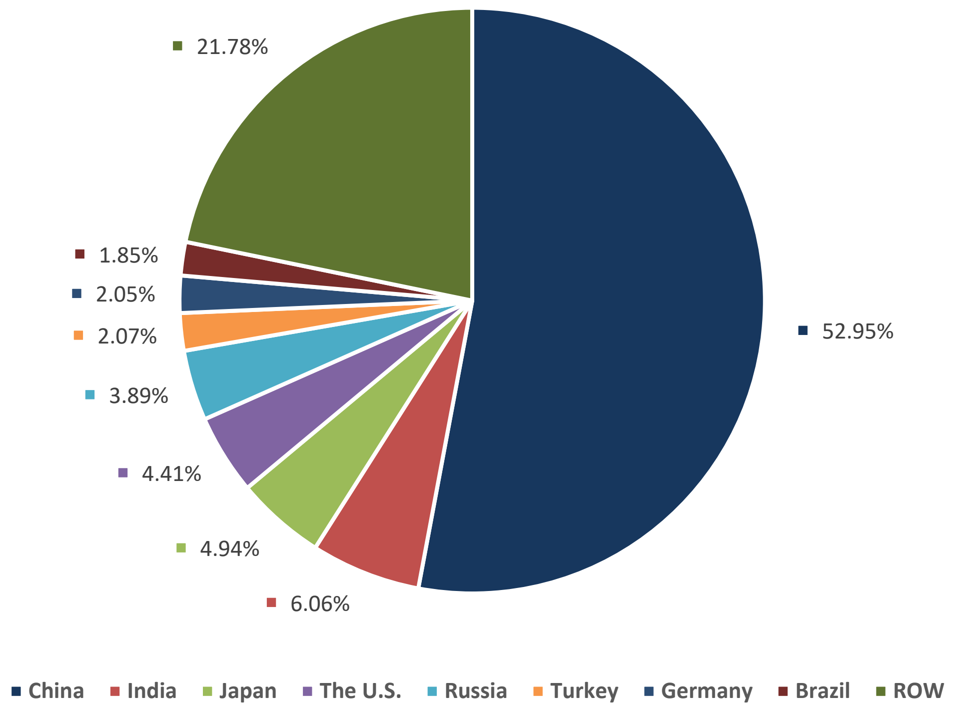
Increasing demand from the automotive and the structural engineering sectors, which are the chief consumers of the product in the market is likely to stimulate demand in the future. Moreover, the essential applications of steel in oil & gas sector is anticipated to boost the growth of the market in the upcoming years. The greater tensile strength makes the product more durable and increases longevity. Hence, it finds application in oil storage tanks, street lighting poles, and earth moving equipment.

Growing inclination towards green energy trend has also brought new variables to the steel industry. Obligations for anti-dumping tariffs by the U.S. along with the current/upcoming guidelines in China could be a key contributor in the changing dynamics of global steel market. Thus, reflecting fluctuations of steel prices in the near future. China steel industry is targeting new carbon peaks by 2030 and carbon neutrality by 2060, which will drastically reduce steel production capacity.

India is the second largest steel producer globally. The steel consumption in India is widely attributed to the infrastructural and construction industry. Rapid industrialization and urbanization, combined with increased private and government investment in infrastructure will fuel product demand. Properties such as durability, low maintenance, long life, high strength, and reusability propel the demand in the construction of low-rise and high-rise buildings, sports stadiums, slabs bridge deck, harbors, siding and roofing, offices, security fencing and coastal and flood defenses.

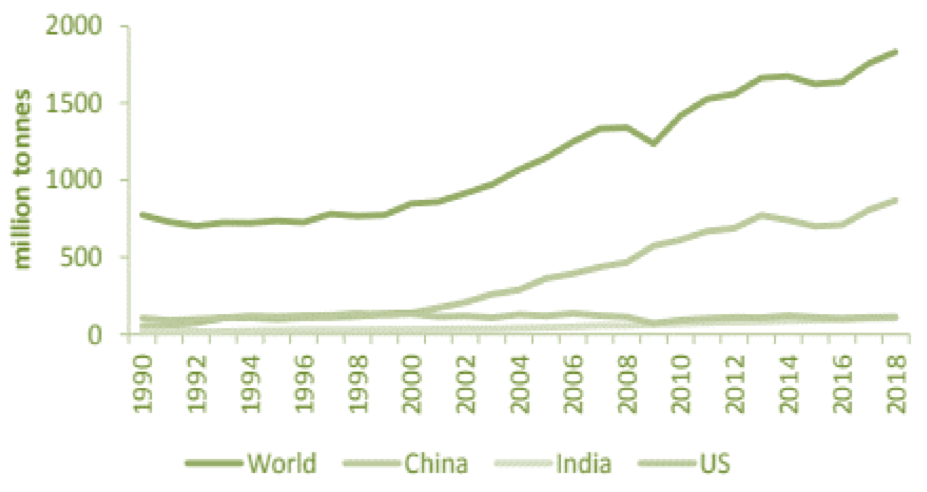
Steel has advantageous properties over other materials such as higher cryogenic toughness, higher heat resistance, higher corrosion resistance, higher ductility, more attractive appearance, higher strength and hardness, and lower maintenance. These properties of the material should develop new opportunities for its use in the structural components of vehicles.

Global steel production share, 2021



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

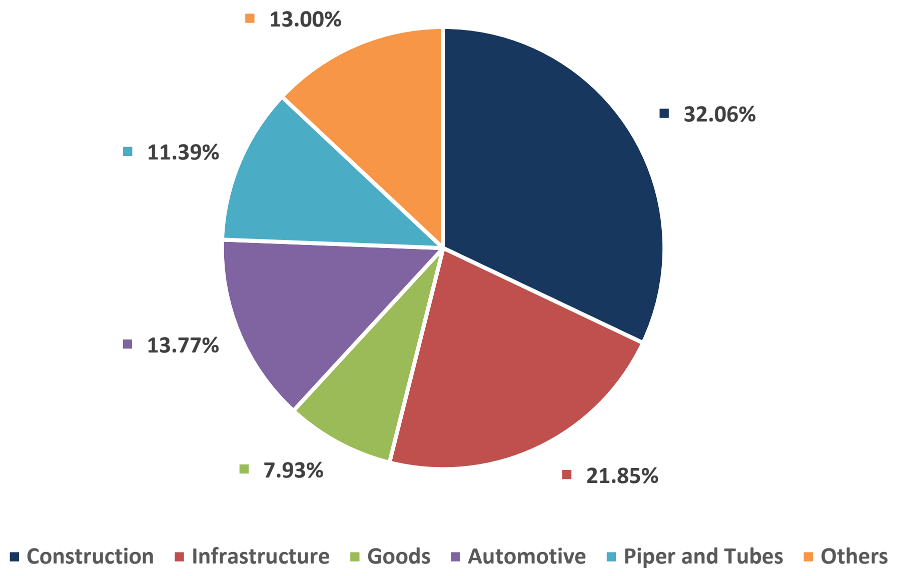
Global steel demand, 1990 & 2021



Volume (Million Tons)	2020 (Steel Demand)	2021 (Steel Demand)
World	1641.12	1,805.23
China	818.27	900.1
India	99.72	109.69
The U.S.	72.52	79.77

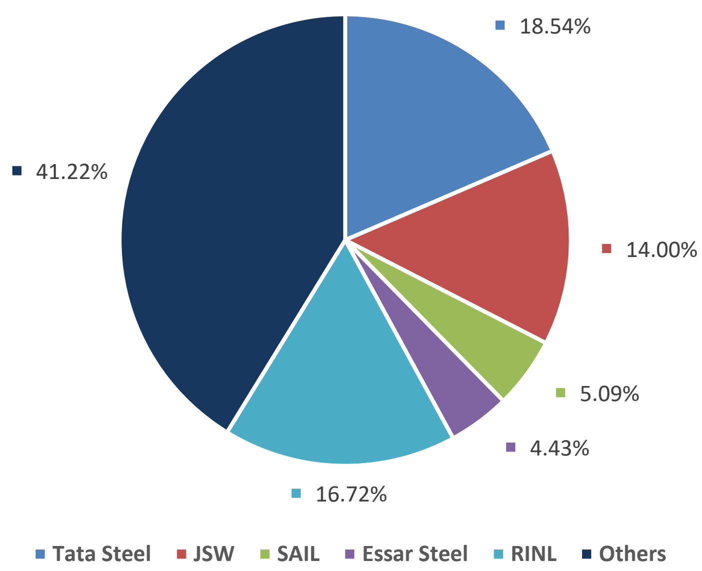
Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

India steel demand by sector, 2021 (IN PERCENTAGE)



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

India steel market by company (% share), 2021



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

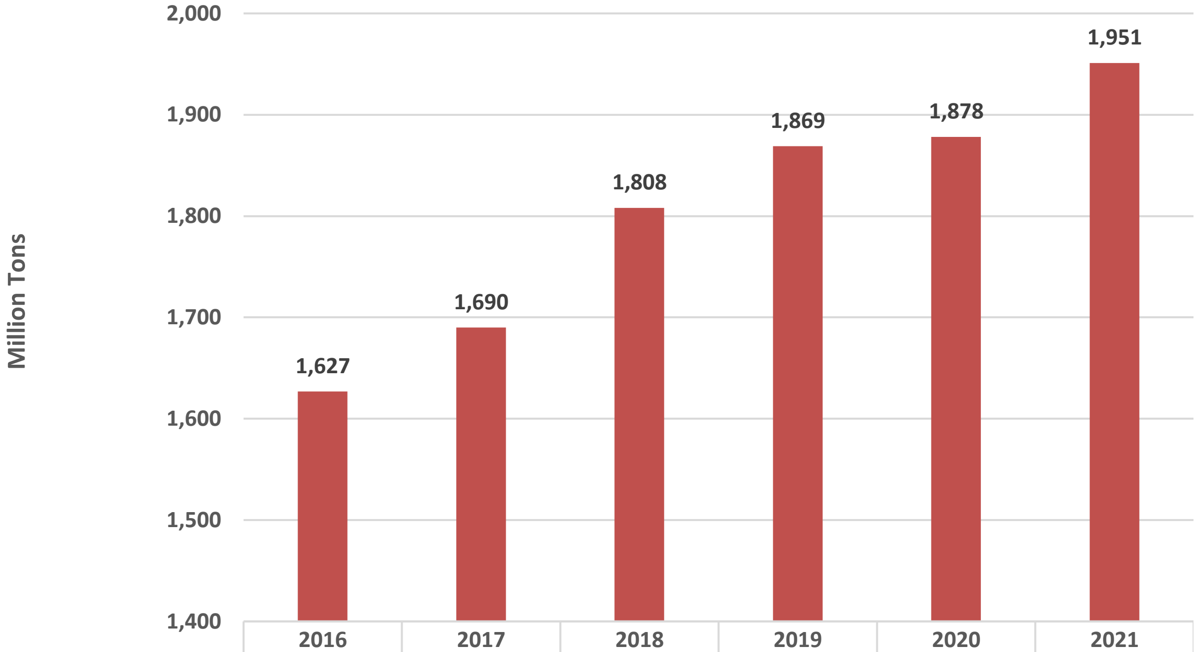
India holds a very vital place in the global steel market. The companies are striving to achieve the untapped market in several avenues to cater to higher market share and investing heavily on improving their product portfolio through research and development initiatives. The government is also helping the corporations through public-private partnerships which would be beneficial on a holistic level for the Indian economy. Orissa, Chhattisgarh, Karnataka, Telangana, and Jharkhand are the predominant production hubs for India.

Rapid urbanization has changed the lifestyle of the people and, in turn, has increased the prevalence of secure infrastructure over a broad aspect, thus, augmenting the demand for the market product. The usage of the use of steel is supported by the Ministry of Steel of the Indian government, as India contributes to the list of top manufacturers of the Steel across the globe, which is creating a demand in the market. Moreover, the government in nations are also supporting the sales of stainless steel, thereby driving the growth of the market. Resuming operations after taking control of the Covid-19 pandemic.

Increasing demand for the product in infrastructure development and automotive production owing to properties, such as resistance to corrosion, strength, and low maintenance, is driving the demand for the Steel market.

Pre insulated pipes are also gaining popularity, which will drive steel pipe demand in the country. The pre-insulated pipes, also known as bonded pipes or insulated pipes, are utilized for maintaining temperature of fluid present inside. These pipes usually consist of pipe with an insulating layer and an outer covering. Pre-insulated pipes are mainly employed in district heating networks, residential connections, district cooling networks, and bio-energy gas plants. District heating and cooling refers to distribution of heat generated in a specific location for residential as well as commercial needs. In addition to maintaining an equilibrium temperature, these pipes also provide insulation to the media. Pre-insulated pipes offer excellent thermal efficiency, lower maintenance, reduced on-site labor, and improved safety features. Concerns regarding adverse effects of pre-insulated pipes has resulted in shifting preference from synthetic chemicals to bio-based and environment-friendly chemicals. Bio-based chemicals are also cost-effective as compared synthetic ones, as these chemicals are animal- and plant-based. This is expected to create revenue opportunities for players operating in the global pre-insulated pipes market.

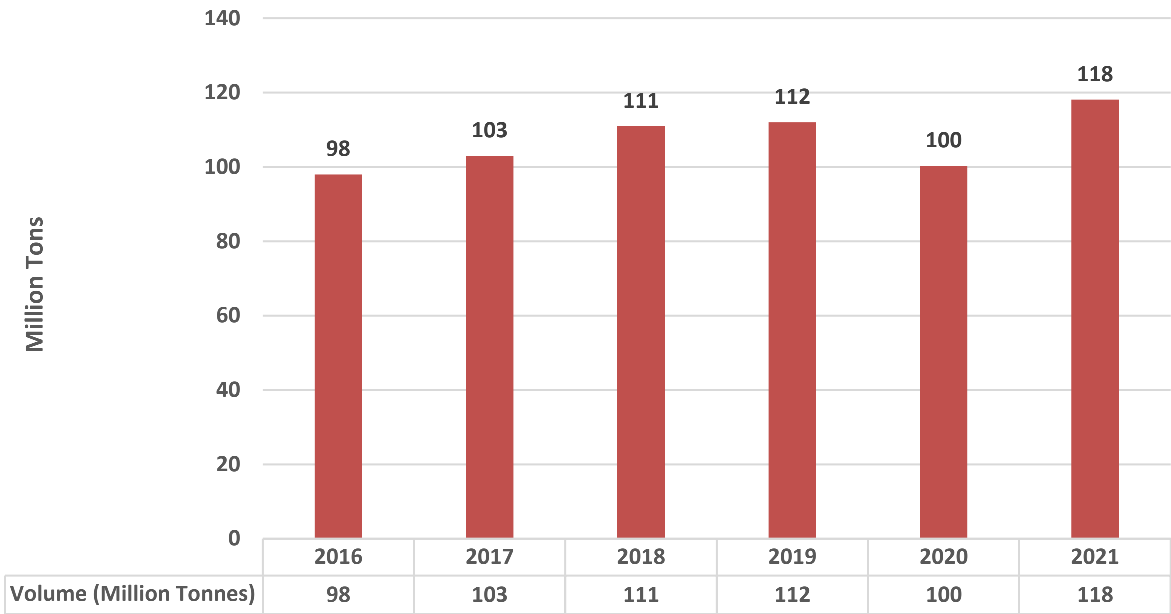
World crude steel production (Million tons)



	2016	2017	2018	2019	2020	2021
Volume (Million Tonnes)	1,627	1,690	1,808	1,869	1,878	1,951

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

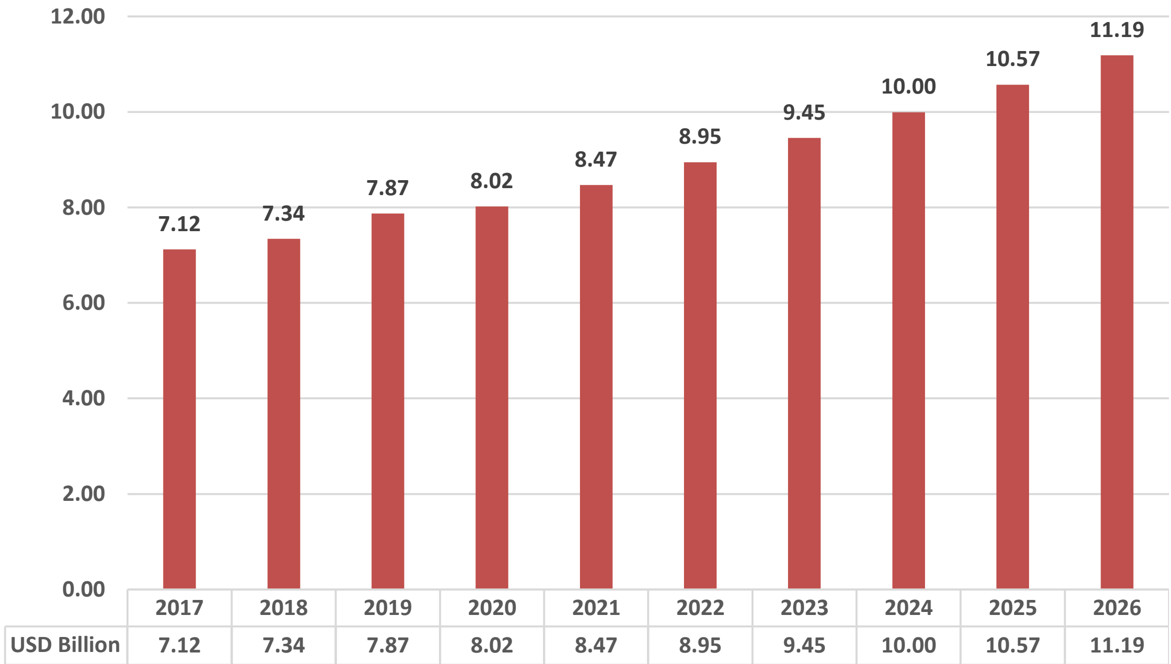
India crude steel production (Million Tons)



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

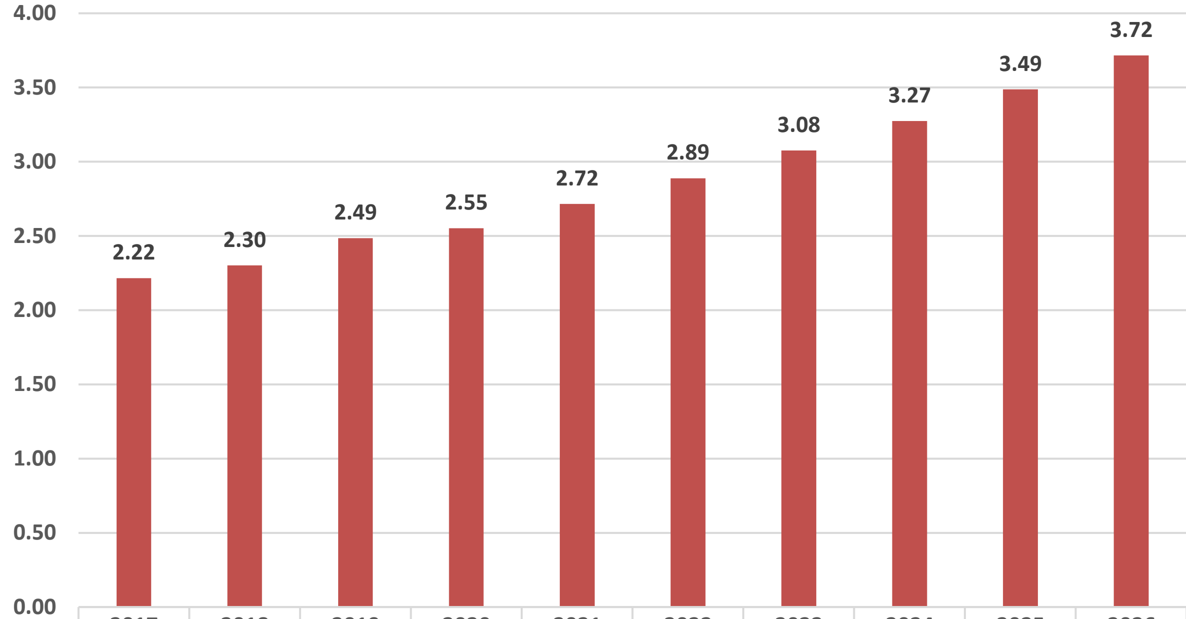
3.3.1.1 SPONGE IRON MARKET SIZE, 2017-2026, USD BILLION

INDIA SPONGE IRON MARKET, USD BILLION, 2017-2026



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

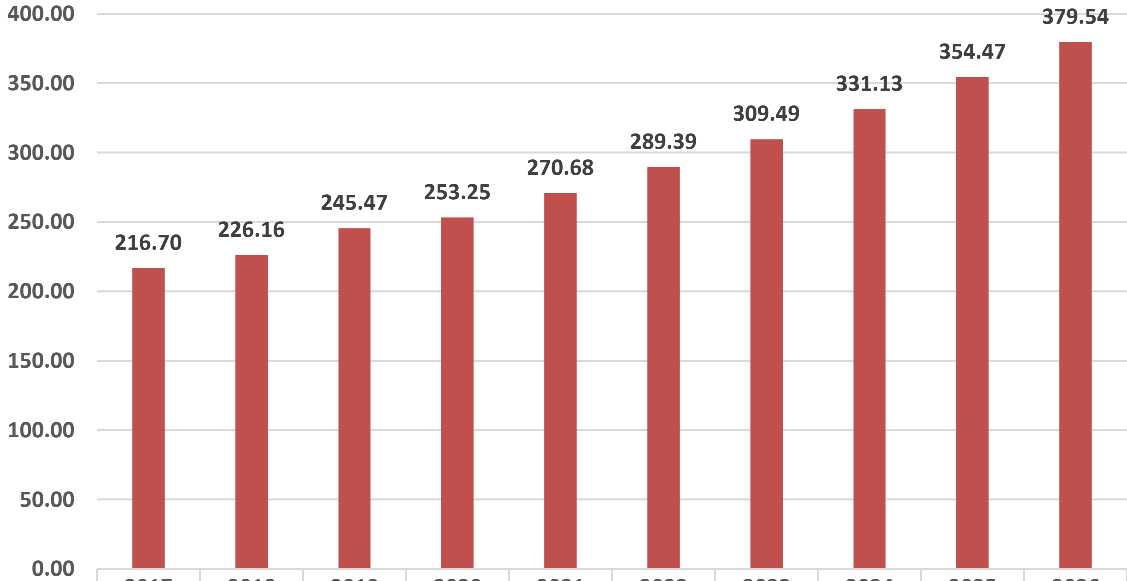
SOUTHERN INDIA SPONGE IRON MARKET, USD BILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Billion	2.22	2.30	2.49	2.55	2.72	2.89	3.08	3.27	3.49	3.72

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

TELANGANA SPONGE IRON MARKET, USD MILLION, 2017-2026

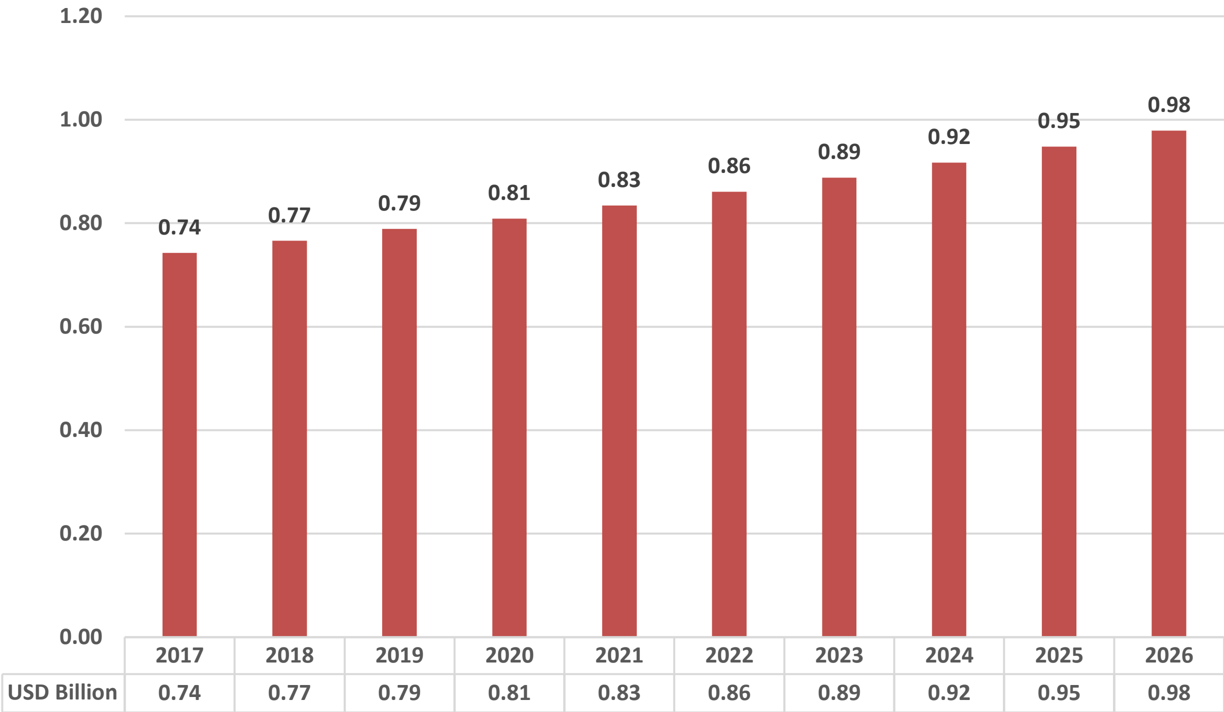


	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	216.70	226.16	245.47	253.25	270.68	289.39	309.49	331.13	354.47	379.54

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

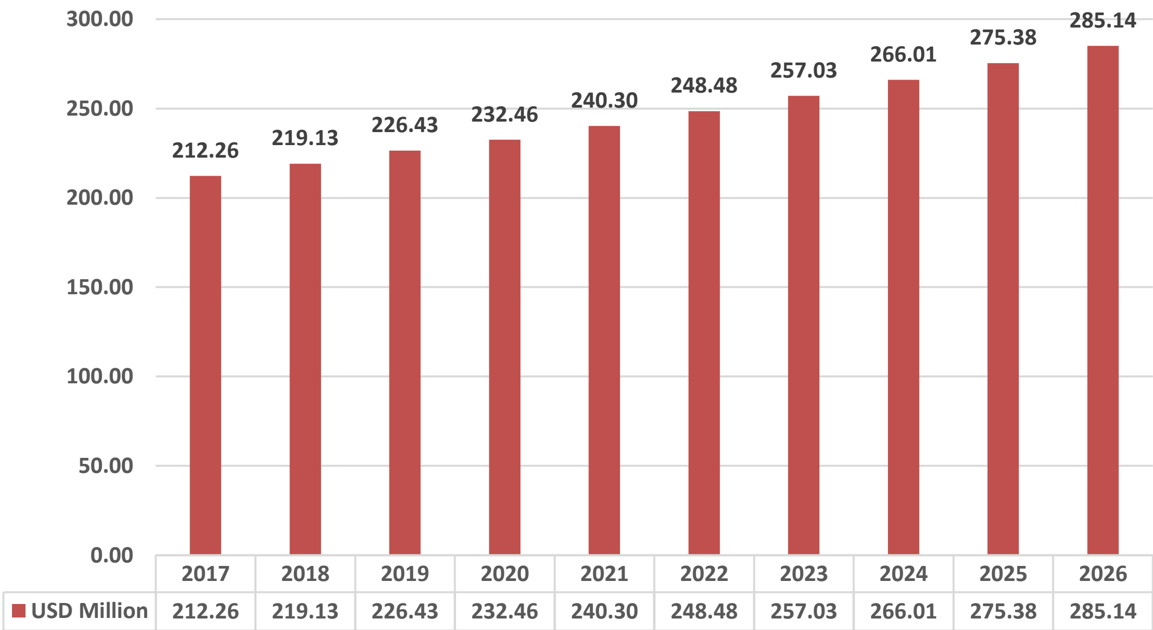
3.3.1.2 *MS BILLETS MARKET SIZE, 2017-2026, USD BILLION*

INDIA MS BILLETS MARKET, USD BILLION, 2017-2026



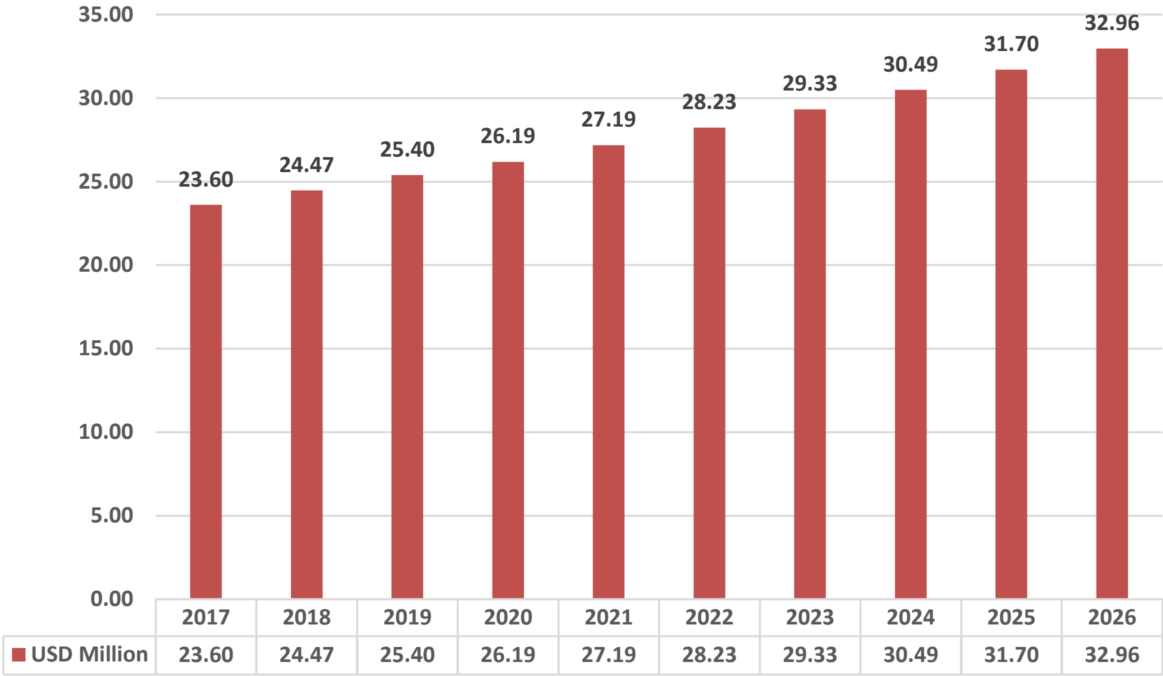
Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

SOUTHERN INDIA MS BILLETS MARKET, USD MILLION, 2017-2026



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

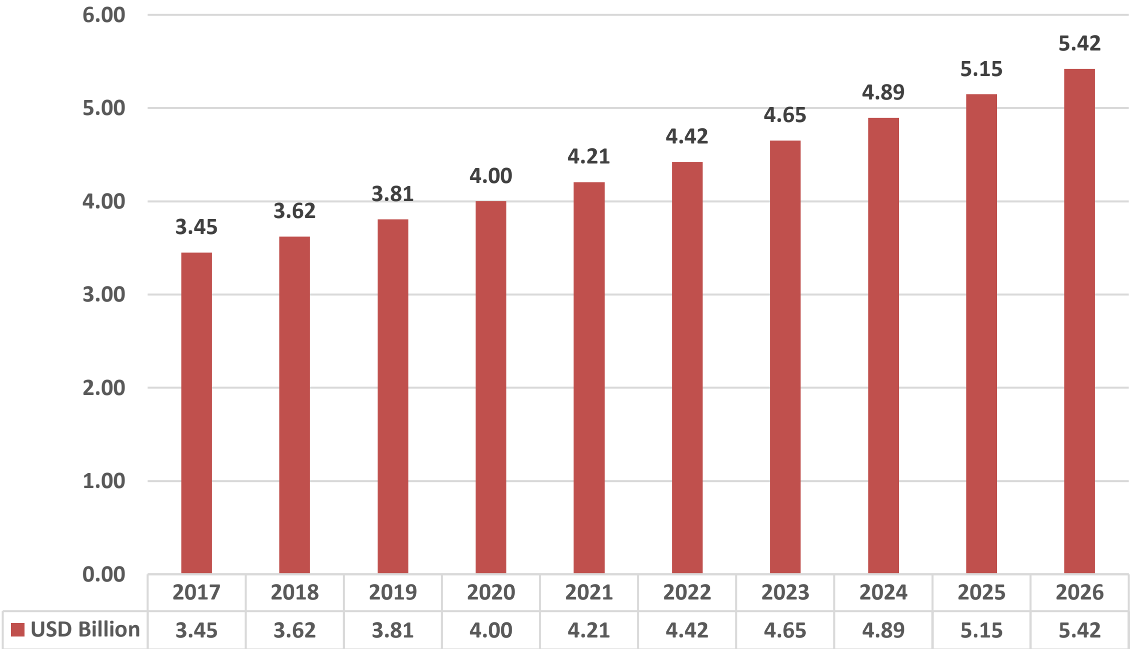
TELANGANA MS BILLETS MARKET, USD MILLION, 2017-2026



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

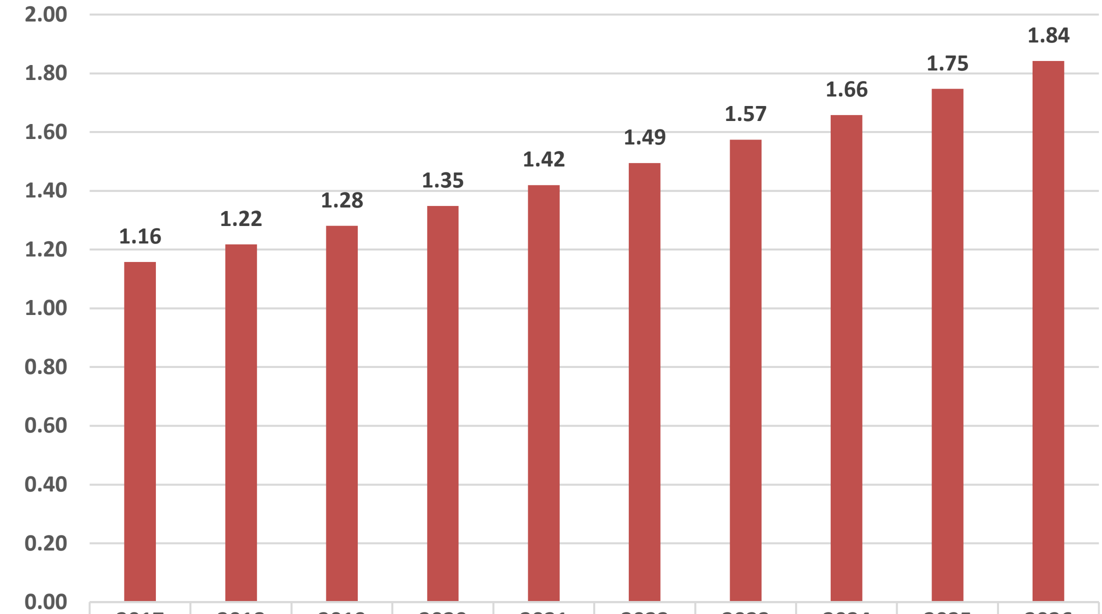
3.3.1.3 HR STRIPS/COIL MARKET SIZE, 2017-2026, USD BILLION

INDIA HR STRIPS/COIL MARKET, USD BILLION, 2017-2026



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

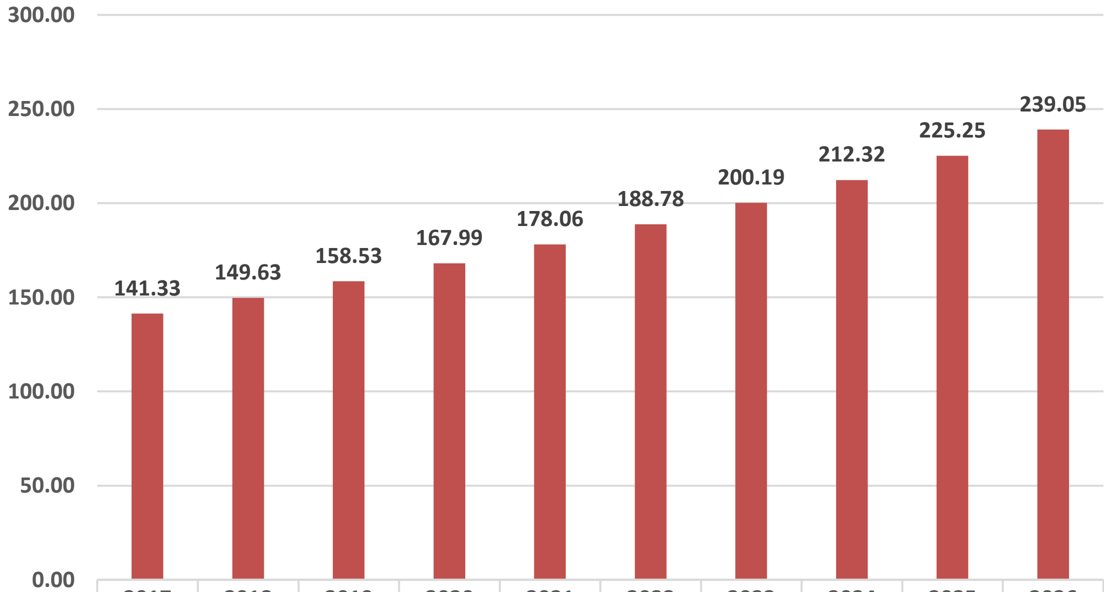
SOUTHERN INDIA HR STRIPS/COIL MARKET, USD BILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Billion	1.16	1.22	1.28	1.35	1.42	1.49	1.57	1.66	1.75	1.84

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

TELANGANA HR STRIPS/COIL MARKET, USD MILLION, 2017-2026

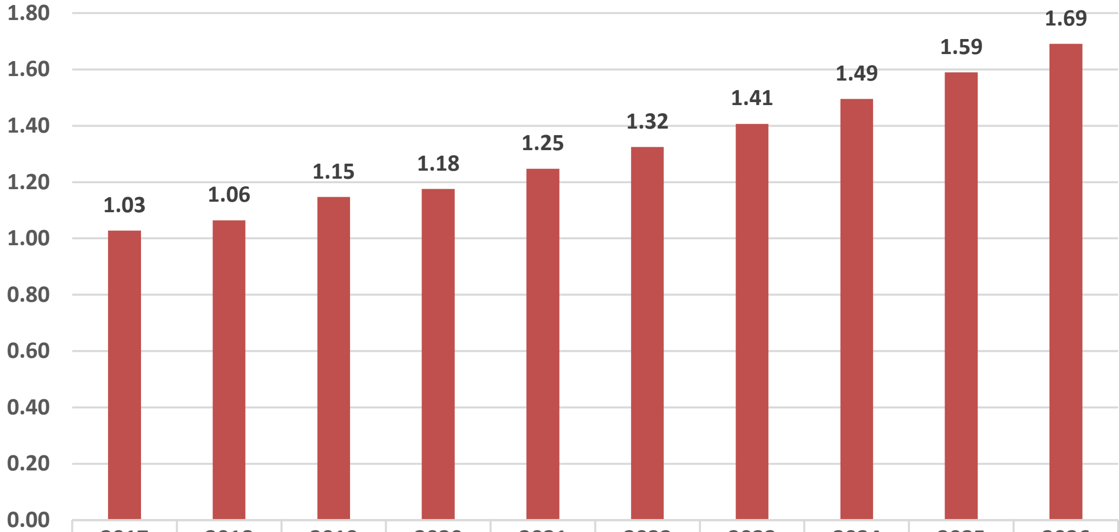


	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	141.33	149.63	158.53	167.99	178.06	188.78	200.19	212.32	225.25	239.05

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Dat

3.3.1.4 MS PIPE / TUBES MARKET SIZE, 2017-2026, USD BILLION

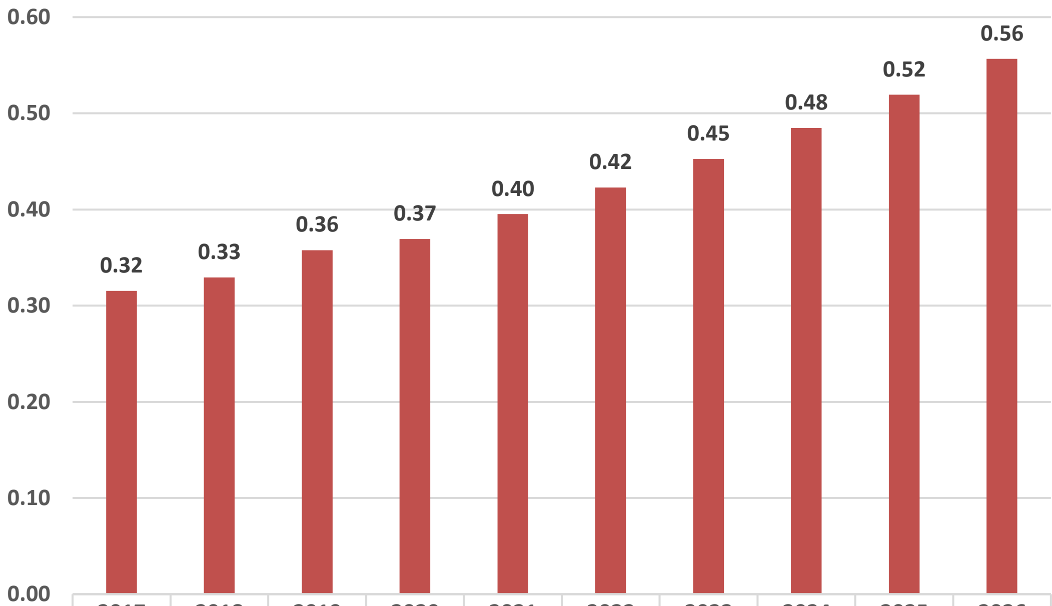
INDIA MS PIPE / TUBES MARKET, USD BILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Billion	1.03	1.06	1.15	1.18	1.25	1.32	1.41	1.49	1.59	1.69

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

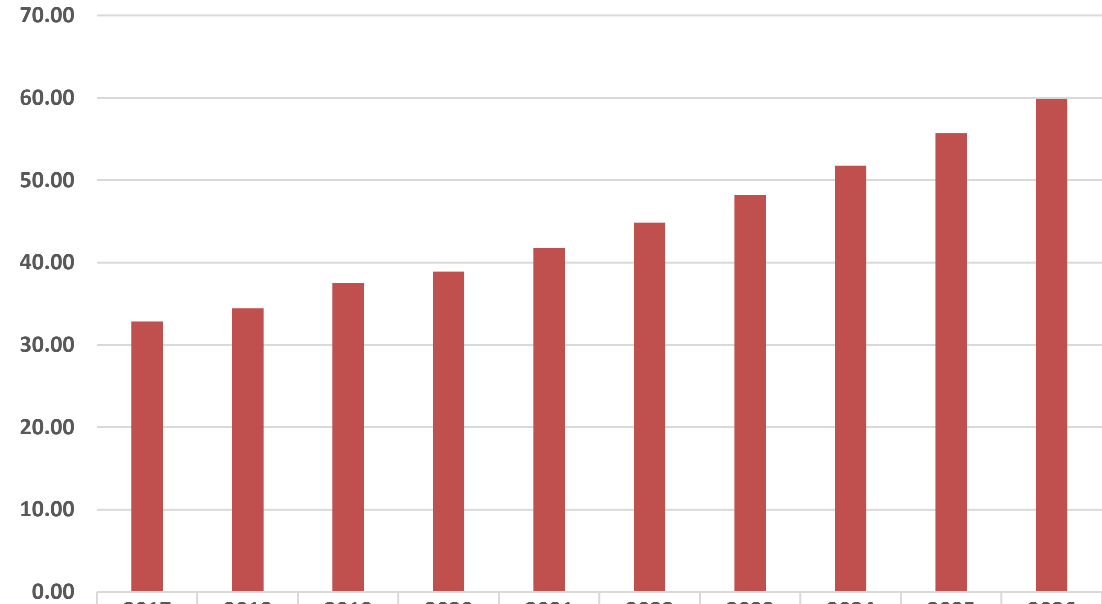
southern india MS Pipe / Tubes market, usd billion, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Billion	0.32	0.33	0.36	0.37	0.40	0.42	0.45	0.48	0.52	0.56

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

TELANGANA MS PIPE / TUBES MARKET, USD MILLION, 2017-2026

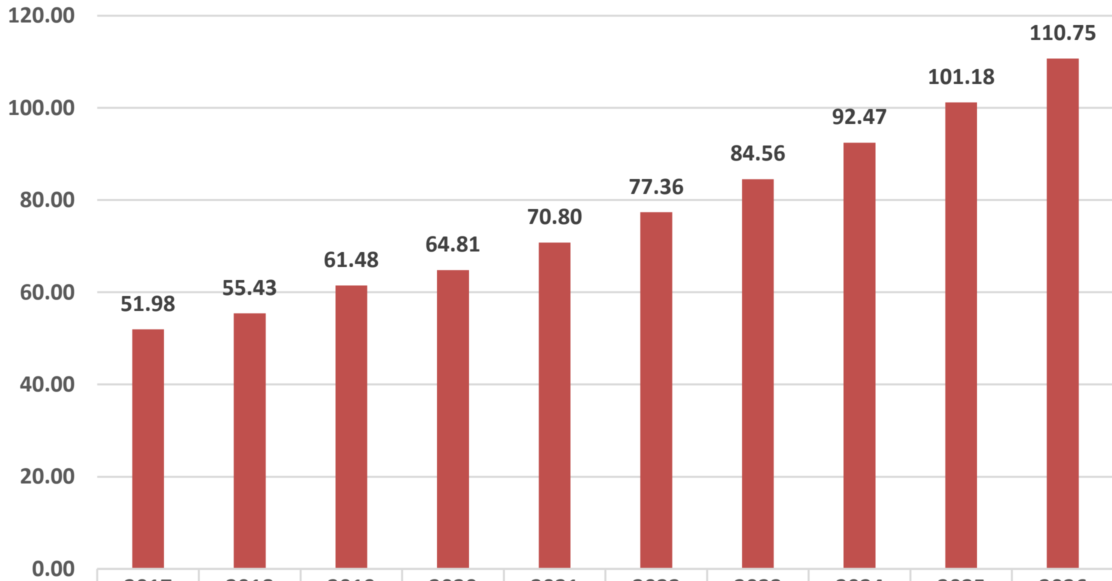


	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	32.83	34.42	37.53	38.89	41.76	44.85	48.18	51.78	55.68	59.89

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.3.1.5 GP PIPES MARKET SIZE, 2017-2026, USD MILLION

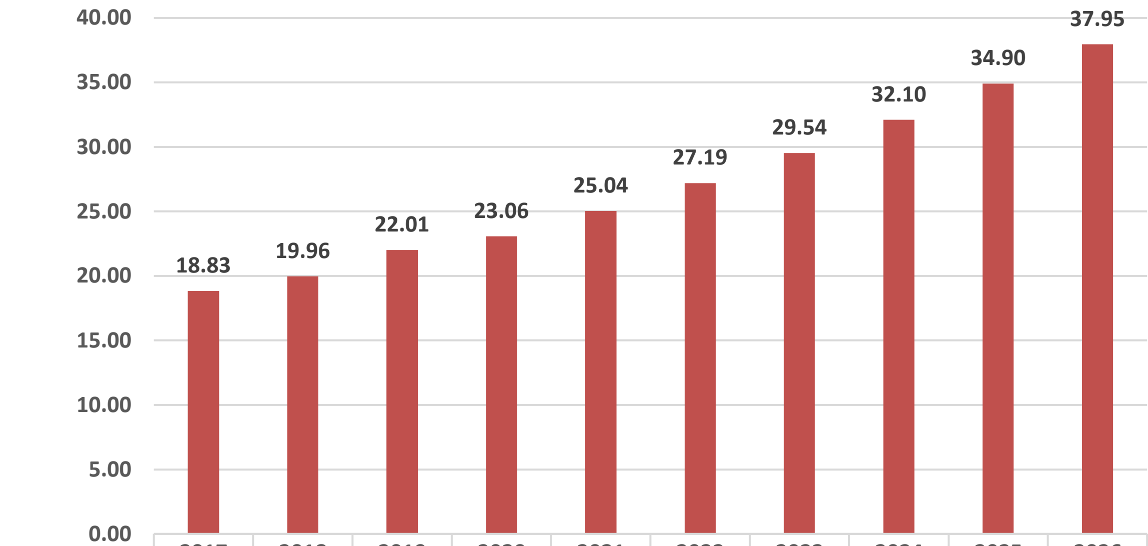
INDIA GP PIPES MARKET, USD MILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	51.98	55.43	61.48	64.81	70.80	77.36	84.56	92.47	101.18	110.75

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

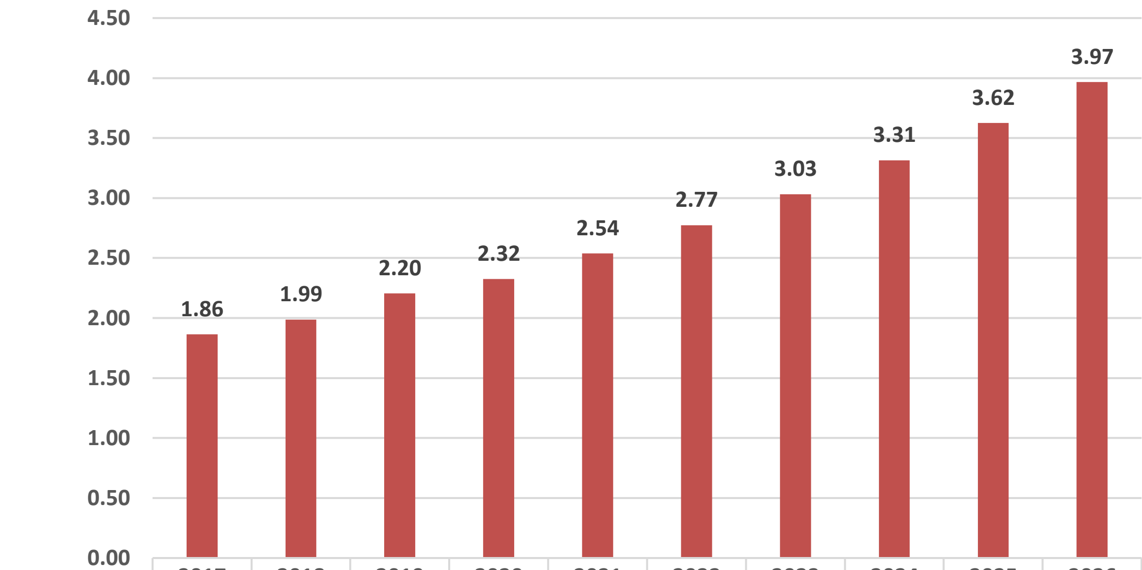
SOUTHERN INDIA GP PIPES MARKET, USD MILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	18.83	19.96	22.01	23.06	25.04	27.19	29.54	32.10	34.90	37.95

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

TELANGANA GP PIPES MARKET, USD MILLION, 2017-2026



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
USD Million	1.86	1.99	2.20	2.32	2.54	2.77	3.03	3.31	3.62	3.97

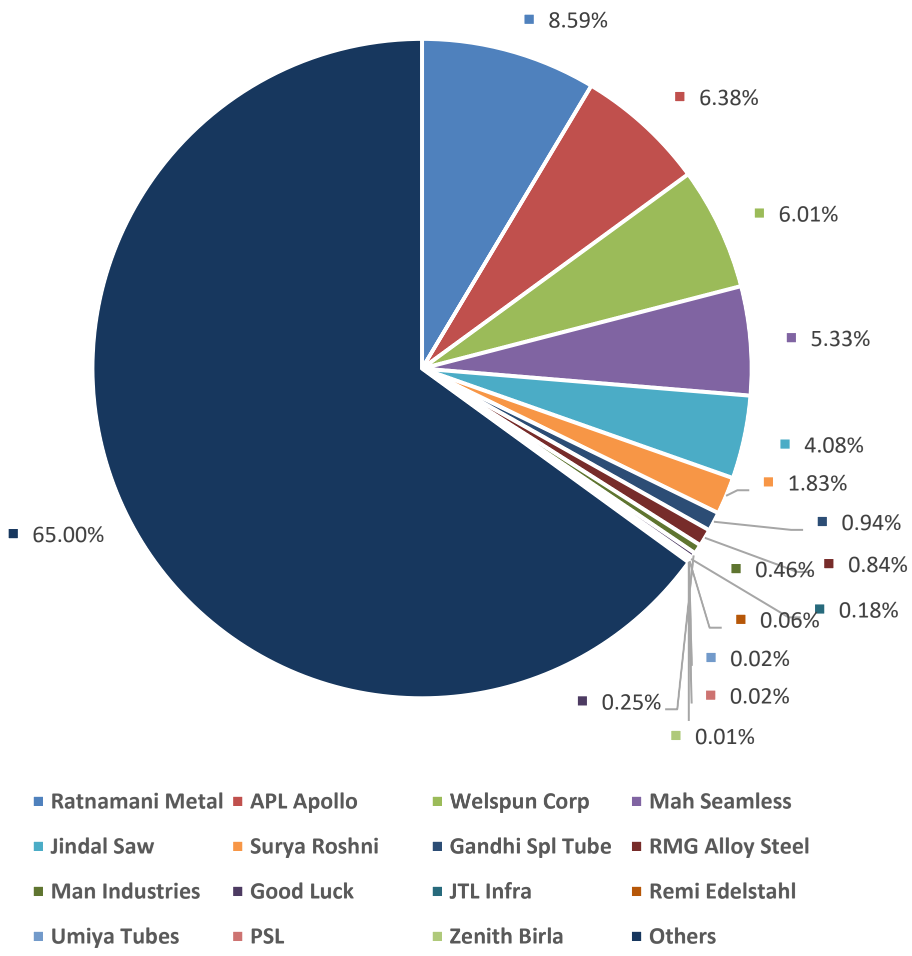
Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

India GP pipe market is anticipated to witness strong growth in forecast timeframe due to its strong performance, rust free nature and corrosion resistant properties. These products are made through process called galvanization, which is used for applying protective coating of zinc in order to provide resistance from corrosion and rusting.

Rapid urbanization in Southern India has resulted in growing demand for GP pipes in residential, commercial and industrial construction, which is anticipated to drive regional product demand by 2026. Government is focusing on infrastructural development in India, which will further escalate product demand due to its reliability and rust free nature. Affordable prices and major end use industries is also driving the GP pipes demand in India and South India. Decreasing Zinc prices is also contributing to the growth of GP pipes due to which manufacturers are focusing on producing new GP products and exploring new opportunity in the market front. Growing awareness of GP pipes in India and especially in the building & construction sector will further primate the industry growth and demand for GP pipes in coming years.

3.3.1.6 India Steel - Tubes & Pipes company revenue market share, 2020

India Steel - Tubes & Pipes company revenue market share, 2020



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.3.2 Scaffolding and Tube Accessories and Fittings

3.3.2.1 Application Scope

- These products are also known as staging
- These are temporary structures used in the buildings construction for facilitating the crew members
- Material used
    - Tubes
    - Couples
    - Lightweight tubes
- Tubes used are made of steel or aluminum
- These material are used producing fittings and accessories

- The pipes used are lightweight for ease in fitting & carrying

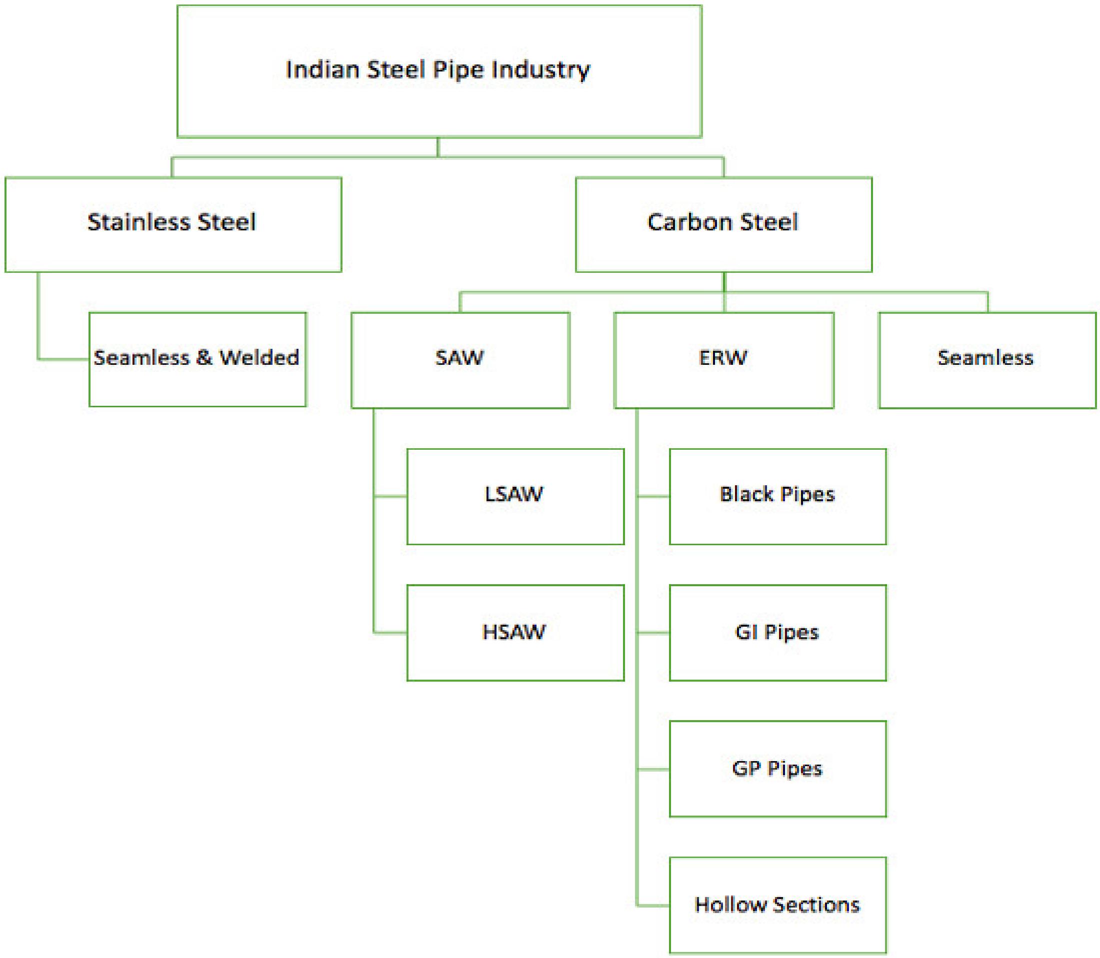
3.3.3 Metal industry and its impact on Pipe industry

Metal pipes are used in numerous industry including:

- Oil & gas
- Petrochemicals
- Power
- Water Supply
- Sanitation
- Irrigation
- Construction

India has become an important market in for domestic consumption as well as export of steel pipes globally. India is a top 3 steel pipe manufacturing country

INDIA STEEL PIPE INDUSTRY



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.3.4 Market Analysis industry for India and Regional

3.3.4.1 Market drivers

- Infusion of funds for capacity creation and modernization
- Indian Infrastructure initiative by the Government of India to support the GDP Growth roadmap
- Growing oil & gas exploration in the country
- Urban infrastructure programme under Public Private Partnership
- Growing demand for intermediate products

3.3.4.2 MARKET restraints

- Threat of alternative from other materials
- Over dependency on domestic consumption
- Fluctuating raw material prices
- High capital requirement for new entrant
- Lack of Technology
- Shortage of metallurgical coal

3.3.4.3 Competitive trends in the home market

- Increase in global manufacturing activity
- Resilient growth driven by supply side reforms
- Consumption led growth influenced by Government policies and investments

Factors that make India an attractive region for steel products

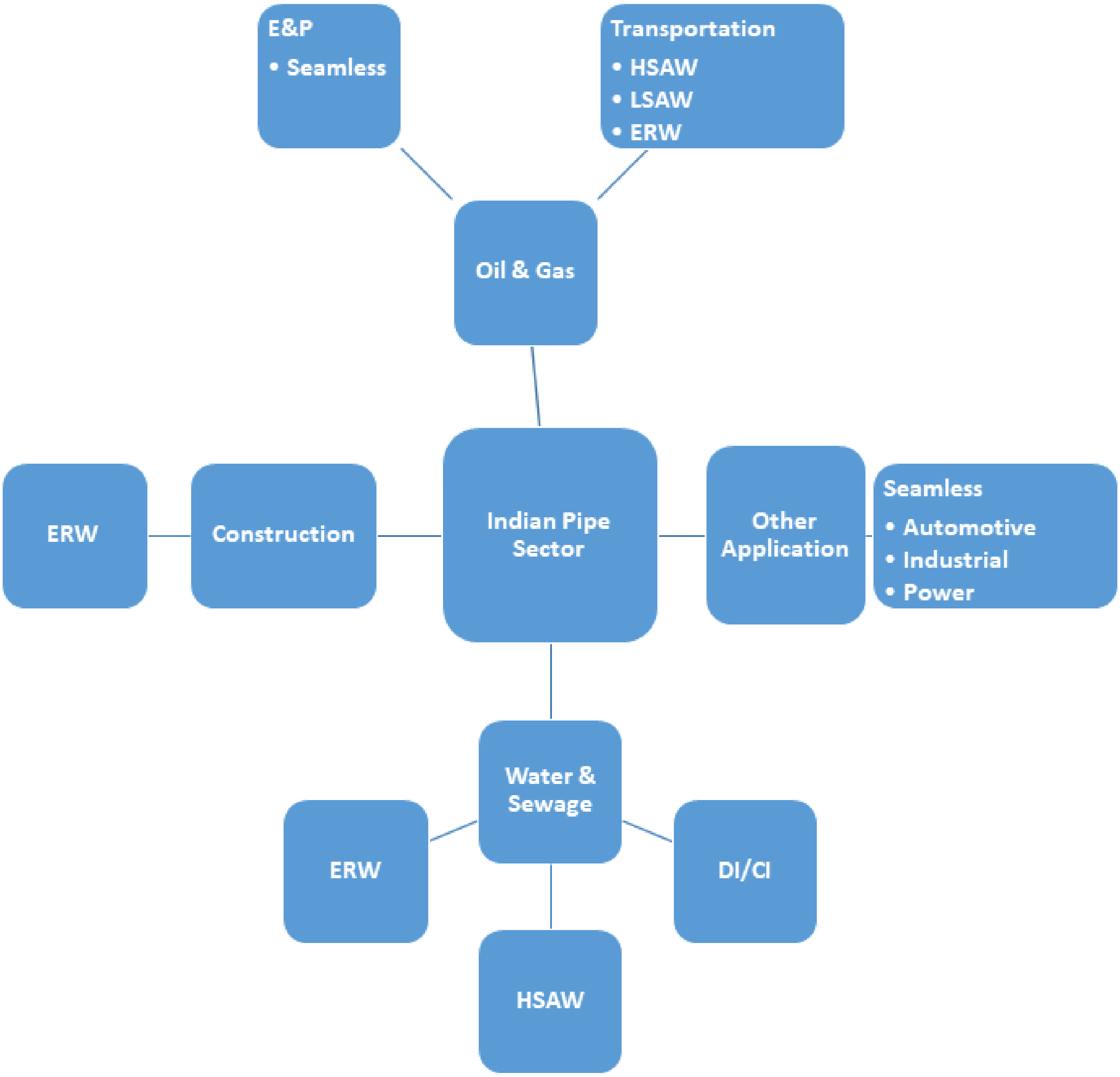
- Low per capita consumption
- Declining steel demand in China can benefit India to become a leading steel products producer and consumer
- Positive outlook for automotive and construction sector
- Healthy growth of 7% to 8% is anticipated in the next few year for steel sector in India
- Make in India and smart city implementation is further influencing the demand in India

TABLE 5 Product Insights

Product	LSAW	HSAW	ERW	Seamless
Size	16" to 50" diameter	18" to 120" diameter	0.5” to 22" diameter	0.5” to 14" diameter
Key Raw Material	Steel Plates	HR Coils	HR Coils	Steel Billets
Manufacturing Process	Longitudinally submerged arc welding of steel plates	Spirally Welding HR Coils	Hot Rolled steel coils using electrical resistance welding process	Piercing ingots/ billets of steel at high temperatures
Difference	High Pressure conditions	Low Pressure conditions	Limitations in size, thickness and grade	High Pressure conditions
Application	Oil & Gas Transportation	Oil & Gas/Water Transportation	Oil & Gas/Water Distribution, Metros, Airports, Malls	Petroleum , Exploration, General Engineering, Boilers
Companies	Jindal Saw, Welspun Corp, Man Industries	PSL, Jindal Saw, Welspun Corp, Man Industries	Welspun Corp, Maharashtra Seamless, Apl Apollo, Zenith Birla	Jindal Saw, Maharashtra Seamless, Ratnamani

Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

FIGURE 30 Pipe types & applications



Source: Indian Steel Association, Steel.Gov, JSTOR, Bureau of Indian Standards, CCI, NCAER, Company Annual Report, Primary Interviews, Reports and Data

3.4 key demand drivers

Asia Pacific region is expected to be the largest consumer of carbon steel during the forecast period, and this is attributed to the fact that countries in this region like China, India, and Southeast Asian countries are focusing more on infrastructural development.

Rapid urbanization has changed the lifestyle of the people and, in turn, has increased the prevalence of secure infrastructure over a broad aspect, thus, augmenting product demand. Ministry of Steel of the Indian government is laying emphasis on utilization of steel for industrial purposes, as India contributes to the list of top manufacturers of steel across the globe, which is creating a demand in the market. Moreover, the government in nations such as China, Japan, and the United States are also supporting steel sales, thereby driving the market growth. Resuming operations after taking control of the Covid-19 pandemic, China announced an increase in the export rebates for cold-rolled steel, stainless steel strip, and other products from present 10.0% to 13.0% for a variety of steel products. This may prompt Indian steelmakers to seek higher border tariffs on imports.

HARIOM PIPE INDUSTRIES LIMITED (HPIL)

- The company has a strong hold on steel products with wide distribution network across India and especially in South and Western India. HPIL has able to build a strong brand name for itself with the steel products under the brand name of Hariom which has a strong brand recall value, thereby resulting in strong sales across the country.
- Wide products to choose from gives company an advantage to build consumer base in different finished steel products including:
    - Sponge Iron
    - HR Strips
    - MS Section
    - MS Pipes & Tubes
    - Scaffolding
- The company also caters to diverse end-use industries, which also results in strong sales as infrastructure & agriculture sector are witnessing strong growth. The company caters to end-use industries including:
    - Housing
    - Infrastructure
    - Agriculture
    - Automotive Solar
    - Fabrication
    - Engineering
- The company is presently dealing with over 200 distributors and dealers in:
    - Telangana
    - Andhra Pradesh
    - Karnataka
    - Tamil Nadu
    - Kerala
    - Maharashtra
    - Dadra & Nagar Haveli & Puducherry
- HPIL also focuses on backward integration of its production line by producing sponge from steel and forward integrating it into finished products. The company's main focus is to:
    - Use sustainable steel producing methods
    - Reduce wastage through automation and improve power consumption metrics
    - Increase focus on domestic consumption
    - Use renewables more frequently
    - Reduce freshwater usage and focus on recyclability

Steel is one of the most used products in India and the demand is increasing strongly on a year to year basis. The high market value of the product has resulted in competition being very high and each company is looking to focus on increasing its market share in steel and its finished products.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and the section "Risk Factors" on page 22 for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 98, 177 and 263, respectively.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for six months period ended September 30, 2021, and for Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 included in this Red Herring Prospectus. For further information, see "Restated Financial Statements" on page 177 of this Red Herring Prospectus. Unless the context otherwise requires, in this section, reference to "we", "us", "our", "Company" or "Our Company" refers to Hariom Pipe Industries Limited.

Overview

Hariom is an integrated manufacturer of Mild Steel (MS) Pipes, Scaffolding, HR Strips, MS Billets, and Sponge Iron. We use iron ore to produce Sponge Iron which is then processed across various stages to manufacture our final products viz. MS Pipes and Scaffolding making our manufacturing process cost-effective.

We cater to the southern and western Indian markets for our products. Our MS Pipes are marketed and sold in these geographies under the brand name "Hariom Pipes". Substantial portion of the Sponge Iron, MS Billets and HR Strips produced by us are used for captive consumption in the manufacturing MS Pipes and Scaffolding.

We manufacture MS Pipes and Scaffoldings of more than one hundred fifty (150) different specifications and cater, directly and indirectly, to customer requirements in various sectors such as housing, infrastructure, agriculture, automotive, power, cement, mining, solar power and engineering.

Our integrated plant at Mahabubnagar District in Telangana (Unit I) manufactures finished steel products from iron scrap and Sponge Iron and our other plant at Anantapur District, Andhra Pradesh (Unit II) exclusively manufactures Sponge Iron. Unit II is located near Bellary, which is one of the hubs in South India for iron ore production. The iron ore required to produce Sponge Iron at Unit II is mostly procured through the online bidding process. Most of the Sponge Iron produced at the Unit II is transported to the Unit I and used as a raw material for manufacturing MS Billets, HR Strips, MS Pipes and Scaffolding. The manufacturing of Sponge Iron at our Unit II has reduced our dependence on external sources for raw materials since its acquisition in September, 2020. The integration of Unit I and II has optimized our operations and profitability through backward integration which helps with efficient logistics, inventory management, procurement, energy savings and quality control.

Our quality control team led by qualified chemists and engineers ensure that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the required market standards.

We mainly sell MS Pipes through more than two hundred (200) distributors and dealers. We also sell MS Pipes and Scaffoldings to certain developers and contractors directly as B2B sales. We believe that our key differentiator is our range of product specifications in terms of thickness, length, quality, availability and customised products.

Our Promoters Mr. Rupesh Kumar Gupta and Mr. Sailesh Gupta are third generation entrepreneurs and individually have more than a decade of experience in the iron and steel industry. They have been instrumental in the growth and management of our Company.

Some of our financial details for six months period ended September 30, 2021and for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set out below:

(*₹ in lakhs*)

Particulars	For six months period ended September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Total Income	20,116.00	25,482.31	16,115.05	13,391.56
EBITDA	2,586.03	3,496.72	2,385.91	1,734.85
EBITDA Margin (in %)	12.86%	13.72%	14.81%	12.95%
PAT	1,286.90	1,513.20	790.83	802.00
PAT Margin (in %)	6.40%	5.94%	4.91%	5.99%

Our Strengths

Integrated nature of our operations.

We use iron ore to produce Sponge Iron which is then processed across various stages to manufacture our final products viz. MS Pipes and Scaffolding making our manufacturing process cost-effective. The integrated nature of operations is one of the major strengths and differentiators of the Company. All intermediate products required for the manufacturing of our final products are produced in-house viz. Sponge Iron, MS Billets and HR Strips. Our finished product from each of our process acts as an input for the next process and provides flexibility in alteration of our product mix as per market demand and supply, market price and the available gross margins. For e.g. our induction furnace plant output i.e. MS Billets can be segregated and may be sold independently or may be provided as an input for our rolling mills and further the output of our rolling mill i.e. HR Strips can be sold independently as well as used as an input for manufacturing MS Pipes. We believe that our ability to change the product mix as per market demand and supply dynamics gives us the flexibility to serve a wider spectrum of customers across various sectors. In addition to the seamless and flexible operations, integration of our production process provides us a cost advantage over our competitors.

Environment friendly manufacturing process.

We believe that environmentally friendly manufacturing is not an option, but a necessity in world today. Sticking to this belief, we consciously preferred and installed the hot charging process of manufacturing our products as it significantly reduces the usage of coal and power. We have synchronized our manufacturing processes to ensure smooth transition from one process to the other including environmental considerations. For example, we for shifting raw materials inside our Unit I we have laid down rail trolly system to eliminate the usage of diesel trucks and other polluting vehicles.

We have installed pollution control equipment at our smoke emanating chimney's that collect the dust particles which are then stored in filter bags for disposal. These filter bags are sold to cement and other industries for their operations. We have also planted over 3,000 trees in and around our manufacturing units and installed drip irrigation to maintenance of the plantation.

As regards water conservation and treatment, we have made the provision for rainwater harvesting with pits in both Unit I & II and have also installed a RO Plant having a capacity of 10,000 liters per hour. We recycle the water used in our manufacturing process to minimize wastage and water pollution.

Strategic location of manufacturing Units.

Unit I is located around seventy (70) kms from Hyderabad in the Mahabubnagar District, State of Telangana and close to Jadcherla industrial area. This proximity enables ease of logistics, power, water supply and raw materials for our operations in Unit I. Skilled personnel for Unit I also come from Hyderabad. Unit II is located at Anantapur District, Andhra Pradesh which is around eighteen (18) kms from Bellary, which is one of the hubs in South India for iron ore production. The connectivity between Unit I and southern markets provides the benefits of logistics considering accessibility and proximity.

Cost advantage in manufacturing our products.

Our Company has established a manufacturing process which keeps costs low, leading to a competitive price advantage as compared to others in the industry. We have synchronized our processes in such a manner that one product follows the other without any break leading to costs and time efficiencies.

We have 32 KVA dedicated feeder for our furnace at our Unit I which makes us eligible for obtaining private power from IEX through the online bidding process, against our contracted load of 9,999 KVA with TSSPDCL with fixed power cost. In peak season for agriculture where there is shortage of supply of power from TSSPDCL, we have the alternative facility of receiving uninterrupted supply of power from IEX at competitive rates.

We have installed multiple operations at a single location i.e. Unit I where we manufacture the entire range of our products viz. MS Billets to Mild Steel (MS) Pipes and Scaffolding. The hot charging process installed in our Unit I enables the MS Billets produced to be directly fed into the rolling mill for producing HR Strips leading to savings in the cost of coal and power. Further, by using a crusher we crush the slag and extract iron content from the slag which is again recycled in furnaces for producing MS Billets.

Competitive pricing of our products

Our Company is able to face competition from other industry players effectively as its products are a result of backward integration which leads up to the Sponge Iron stage of manufacturing. Backward integration has its owns cost and savings advantages which our competitors may be lacking giving us a competitive advantage as to price. In addition to the pricing advantage, we have also built in our manufacturing process some flexibility as to thickness, length and quality of our products which enables customisation leading to better margins for our products.

Due to the flexibility in manufacturing a range of products having specific thickness, length and quality, the demand of our products is higher as compared to our competitors who manufacture and sell standard industry sizes or dimensions of products.

Experienced & Qualified Team.

Our Promoters and senior management team is well experienced in this industry both from marketing and distribution of products in this sector. Our Promoter, Mr. Rupesh Kumar Gupta has been the main guiding force behind the growth and business strategy of our Company and has more than a decade of experience in the iron and steel industry. Our Promoter, Mr. Sailesh Gupta also has over a decade experience in iron and steel industry and is actively involved in day to day business, administration and marketing of the Company. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future opportunities. A large number of our senior management personnel have worked with us for a significant period of time, resulting in effective operational coordination and continuity of business strategies. They have led the organization through acquisitions, development of new systems and components etc. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Section titled *"Our Management"* beginning on page 154 of this Red Herring Prospectus.

Our Strategies

Expand our geographical network.

Our Company is presently serving the markets of Southern and some parts in Western India. Our distribution channels developed over the years have been critical to our growth. We intend to continue developing and nurturing existing markets and creating new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs having a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs.

Organic growth by expansion of our manufacturing capacity.

Our Company has embarked on a phase of growth to build scale and expand its portfolio of value-added products. From the Net Proceeds of the Issue, we shall be deploying funds for expansion of our MS Pipe manufacturing capacity by setting up of two (2) additional pipe mills adjacent to our existing Unit I. This expansion will increase our capacity from the present 84,000 MTPA to 1,32,000 MTPA. We will also be expanding our Furnace Unit capacity which will enhance our production capacity to the extent of 1,04,232 MTPA from the existing capacity of 95,832 MTPA. Our Company in September 2020 acquired the Sponge Iron manufacturing facility i.e. Unit II as a part of our backward integration initiatives. We will continue to explore both backward and forward integration initiatives to achieve the goal of becoming an end-to-end and cost-effective manufacturer of our products.

For further details please see the Section titled *"Objects of the Issue"* beginning on page 81 of this Red Herring Prospectus.

***Upgrading our existing manufacturing facilities*.**

Our Company constantly endeavours to improve its productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We will continue to further improve our manufacturing processes to identify the areas of bottlenecks and correct them. This would help us in improving efficiency and putting resources to optimal use. We have a team of chemist and engineers who strive to improve the production methodologies by conducting experiments and creating innovative prototypes to enhance our manufacturing processes.

***Expanding our product range to add more value-added products*.**

MS Pipes and Scaffoldings are the end products that are manufactured from the conversion of Sponge Iron to HR MS Billets and HR Strips. We provide a range of product specifications in MS Pipes and Scaffoldings in terms of thickness, length, quality, availability, and customised products. We intend to further enhance our value proposition by manufacturing value added products which have better margins and wider markets. Certain value-added products require a certain modifications and extensions to our existing lines which are in the development phase. Some value additions to our existing products include the following:

- Rust Free MS Pipe: These are anti rust oil coated MS Pipes which prevent rusting of MS Pipes.
- End Facing of MS Pipe: This process provides a softer finish to the MS Pipe thereby avoiding injuries due sharp edges
- Packaging: We use packing strips/tapes for packing our MS Pipes to enable easy movement from one place to another.

We believe that such value additions further enhance the quality and sale of our products.

Increasing Operational efficiency

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase our operational output through continuous process improvement, QC / QA activities, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is widespread amongst our employees

Our products and usage:

Sponge Iron:

Sponge iron is a metallic product produced through direct reduction of iron ore in the solid state. It is a substitute for scrap and is mainly used in making steel through the secondary route. The process of sponge iron making aims to remove the oxygen from iron ore. The sponge iron is a superior substitute of steel scrap for different steel/iron based items like TMT bars, D.I Pipes (*Ductile Iron Pipes*) and so forth. Sponge Iron is likewise an appropriate material for utilizing as a coolant in Linz-Donawitz (LD) converters of the integrated steel plants.

MS Billets:

Raw steel cannot be of use while in its pure form, thus it has to be cast into shape. The freshly made steel, which is still in the form of a metal bar or rectangle, is called billets. Billets, or ingots, are not of practical use until they have been formed into more functional shapes and sizes. While they have already been put in the furnace, they still require a series of shaping and moulding procedures such as hot and cold working, milling and cutting before they are sold in for different applications like round bar, flat bar, angle plate, spring steel, wire rod, D-bar, Hot/Cold Rolled Strips/ Coil.

HR Strips:

HR Strips refers to pieces of iron or steel that may be forged into long, narrow strips. HR Strips are typically used in the manufacture of various types of goods such as pipes, tubes, and gun barrels. It is usually made from a piece of bar iron/ MS Billets that has been selected due to its length and thickness.

MS Pipes:

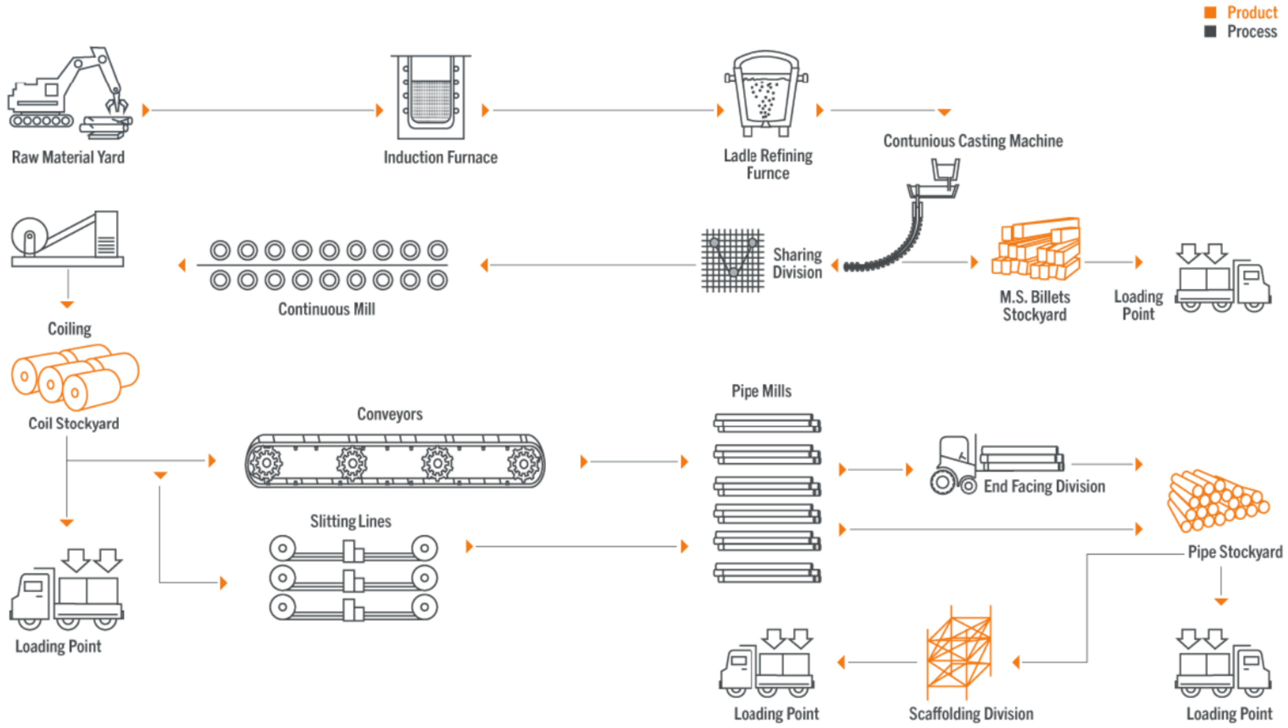
Our primary product is HR (Hot-Rolled) MS pipes. In pipes we manufacture square, rectangular, circular and D-shaped sections respectively. We manufacture HR pipes up-to a maximum size of 250x250mm for square sections, 300x200mm for rectangular sections and 300mm NB (nominal bore) for circular sections. The thickness can vary from 2mm to 6mm. Our products have multiple applications in multiple industries such as architectural, industrial, infrastructural, general engineering, power plants, solar power plants, steel industry, railways, cement plants, mining and so on.

Scaffolding, Tube Accessories and Fittings:

Scaffolding is used in construction activity, both buildings and other infrastructure construction. Scaffolding is used for variety of purposes including ease of construction process and safety of workers. Our range of scaffolding accessories or fittings include the following:

- Telescopic Props/ Adjustable Props/ Jacks/Props
- Cuplock Horizontal/ Ledgers
- Cuplock Verticals
- H Frame System
- Cross Bracings
- Span/Acro Span/Telescopic Span/Adjustable Span
- Jalli (Plank)
- Clamps/Couplers
- Fixed Base Plates
- Adjustable
- Base Plates
- Adjustable U Jacks
- Spigot Pin/Joint Pins

Production Process of Unit I



The Process Melting in Induction Furnace:

This process starts can be divided broadly into the following phases:

- Procurement of raw materials
- Melting in an induction furnace
- Chemical testing and matching to industrial standards
- Casting

Our major raw material for this process comprises of MS scrap, sponge iron and pig iron. The raw material procured is first inspected and chemically analyzed and is then melted in the induction furnace in the desired ratio.

The steel-melting scrap and sponge iron in the ratio of 30/70 are processed in the induction furnace producing MS Billets, which are then used as an input for the rolling mill to produce HR Strips. We manufacture hot-rolled coil using hot charging process resulting in significant savings in power, time, processing and manpower costs. We manufacture HR strips up to the length of 900 sq. ft. enabling better quality and reduced wastages. HR strips are further processed in pipe mill to produce saleable pipes, channels, etc. Scaffolding adds another layer of value addition.

The shape of furnace is like a vertical cylindrical crucible made of refractory ramming mass. It is fitted in a steel shell suitably insulated between the shell and refractory crucible. A circular winding of copper tubing is placed at the bottom of the shell and space between steel former and coil is rammed with fine grains of acidic or basic refractory material. The steel former melts during the melting of charge in the crucible.

When the electrical current is switched on the eddy current developed between primary copper coil and heavier secondary current is this metallic charge, thus melting the charge to the desired temperature. The entire process of melting is taking place silently without any noise pollution**.** During melting, a small portion of the mixture is tested 3-4 times for the chemical composition of the mixture. Testing process enables us to check the content of various chemicals such as carbon, sulphur, phosphorous, manganese, etc.in the melted raw material. To get the desired chemistry some additions are made.

The Process of Melting in Hot Re-Rolling:

When a hot rolling stack passes through set of rotating rolls place one above the other and rotating in opposite directions takes the shape of roll passes provided in the rolls due to compression of hot/reheated pieces.

On receipt of raw material i.e. Billets are cut into desired length depending on the section/sizes to be rolled. These cut pieces are then charged into oil fired two zone furnace having cast iron shid inside. The temperature is monitored and controlled. The normal travel time/healing time depends on the section/size of raw material as well as finished section/size to be rolled.

After the cut pieces of billets attain rolling temp of around 1200°C and soaked for uniform heating, the hot stock is discharged from the furnace and taken to Re-Rolling stands through rolled conveyors. Hot rolling stock passes through various rolls. Desired shape/ size of the rolls pass is achieved through compression. Throughout the process, dimensions are constantly checked and monitored. The finished pieces are cut into desired length on line with the help of end length cutting machine and taken goods yards for section/size wise stacking.

Hot Charging Process:

In the hot charging technique billets are delivered for hot rolling after they exit the casting unit but before they lose all their heat. The main feature and advantages of hot charging technique are:

- Energy savings
- Decrease billet inventory / yard space
- Reducing production cycle time
- Billet surface quality defects prevention during the cooling process.

The Process of MS Pipes:

The MS Steel Pipes are manufactured by using the process called Electric Resistance Welding (E.R.W). This process is well established and adopted by steel pipe manufacturers in India. The Electric Resistance Welding (E.R.W) is also known as high frequency contract welding. The H.R. Steel Strip are cut to specified width with a very close tolerance and with edges that are in the ideal condition for perfect welding. The welded edges are joint together under forcing pressure by roles. The result is a strong welded pipe /tube like any other metal but without change in its chemical composition. Soon after welding the special cutting tool completely removes the weld flash on the outer surface of all welded pipes. At this stage an arrangement of roles size and straighten to the tube to the close tolerance as required. Once this is done the tube automatically cut into specific pre-determined lengths. When specification or application demand grater dimensional accuracy, enhanced physical properties and a super fine finished is performed without any trace of the inner and outer weld flash.

The pipes are then finally checked thoroughly for dimensional accuracy and surface quality as required by various specifications.

The same process is described in phases below:

a) Strips are available in 60/80 feet folded lengths. The folded raw materials are available in bundles. Those bundles are opened and straightened to facilitate welding for joining the strips to have a continuous feeding to the machine.

b) The joined strip is feed into the machine in the first stage. Bends are removed by the machine and it is further straightened for the correct formation of pipe. The pipe making mill is connected to a slippering motor to have movement to the various rolls. The speed of the movement depends upon the feed raw material's width. Because of this movement there is a friction between the rolls and strip which heats up the rolls and some parts of the machine. The mill is connected by an efficient and continuous water circulation system to cool the rolls and machine parts in case of excessive friction heat.

c) The next phase is the passage of raw materials through slitting zone to remove the excess and uneven edges and passages of raw materials through various rolls to convert into open seem pipe.

e) The next phase is the passage of open seem pipe through welding rolls where the mill is connected to an automatic electrical welding unit which releases required heat to melt the edges of the open seem pipe.

f) The welded pipe/tube is made to pass through cooling zone where there is a continuous cool water supply to control the heat caused by automatic electrical welding. The manufacturing process requires continuous cool water supply to control the heat arises due to manufacturing process.

g) The final step is straightening, sizing and cutting of pipes.

Description and manufacturing process of Scaffolding

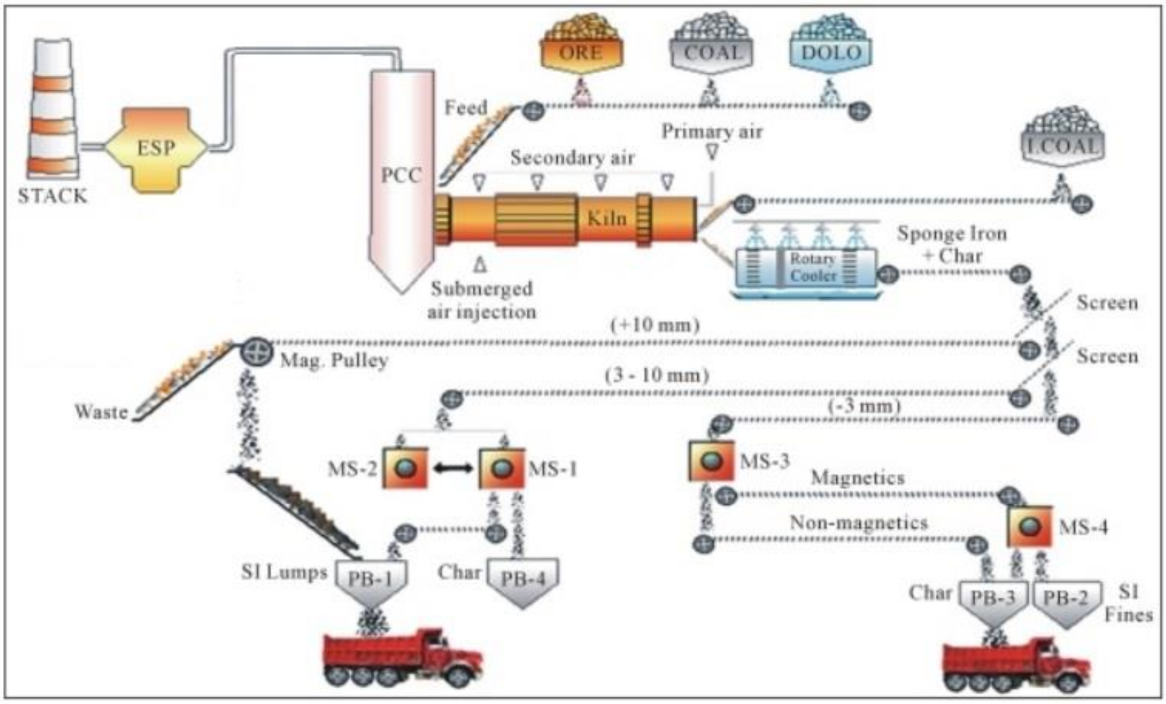
Scaffold is an auxiliary structure in the form of a wooden deck placed on supports; it provides a platform from which workmen can perform certain types of construction work, such as putting up walls or finishing room interiors. Scaffolds are usually set up on floors. Modular scaffolds are widely used in modern construction work; they are made of steel and lightweight alloys and are equipped with mechanical and hydraulic jacks for height adjustments.

Steel Scaffolding Manufacturing Process: Steel Scaffolding are long hollow pipes that are used for a variety of purposes. They are produced by two distinct methods, which result in either a welded or seamless pipe. In both methods, raw steel is first cast into a more workable starting form. By stretching the steel out into a seamless tube or forcing the edges together & sealing them with a weld, it is then made into a pipe.

Maintaining the quality of the ERW pipes is of utmost importance too. The product must pass through stringent quality tests, before they are finally supplied. Raw Material shall be tested for chemical composition, tensile strength, elongation and thickness & tolerance. Pipes shall be hydraulically tested to ensure no leakage in the pipe. Galvanized pipes must be tested for uniformity of the zinc coating.

Steel Scaffolding finds various applications in commercial, industrial, residential & agricultural areas. These pipes are used in staircase hand railings, door frames, oil & gas industry, structural & scaffolding purposes, green houses, sheds for warehouses, sanitary use of households, sewage, construction activities, hand pumps, tube wells, boring, water distribution system & several other applications.

Manufacturing Process – Unit II



Sponge iron is used in steel melting. It is an iron bearing material, which is a substitute for MS Scrap in secondary steel making. The primary iron making plants like blast furnaces and basic oxygen furnaces have also started using sponge iron as their basic raw materials in place of iron ore and scrap, respectively, to save on the cost and also to improve on quality as sponge iron is produced from virgin mineral and hence, its quality will be highly consistent, uniform and predictable.

There are two methods for the manufacture of Direct Reduced Iron (DRI) i.e. sponge iron. First is gas based rotary kilns and second is coal based rotary kilns. In India there are very few gas-based sponge iron manufacturing mainly on account of scarcity of natural gas. Majority of the plants in India are coal based rotary kilns manufacturing sponge iron. The technology adopted is sophisticated and adopted by majority of sponge iron manufacturing plants in India.

From the stock house from one end of the kiln, injection coal is fed into the kiln and from the other end iron ore, feed coal and limestone are fed into the kiln. The kiln is fired with the injection coal from the discharge end and an appropriate temperature profile is maintained inside the kiln. The kiln is continuously rotated to facilitate movement of charge at the required speed. The iron ore in the kiln is reduced to Sponge Iron. The Sponge Iron comes out through discharge end through a discharge chute and enters the cooler.

Plant & Machinery at our Unit I:

Our Unit I at Mahabubnagar District is equipped with state-of-the-art machines and modern technology for accurately testing our products. Some of the key plant and machineries are listed below:

<table>
<tr><th>Sr. No</th><th>Unit</th><th>Description of the Machine</th></tr>
<tr><td rowspan="6">1.</td><td rowspan="6">Furnace Division</td><td>Solid State Furnace</td></tr>
<tr><td>Concast Machine</td></tr>
<tr><td>Ladle</td></tr>
<tr><td>Electronic Magnet</td></tr>
<tr><td>Pollution Equipments</td></tr>
<tr><td>EOT Crane</td></tr>
<tr><td rowspan="10">2.</td><td rowspan="10">Rolling and Pipe Unit</td><td>Rolling Mill</td></tr>
<tr><td>Hot Charging Conveyor</td></tr>
<tr><td>Re-Heating Furnace</td></tr>
<tr><td>Coal Pulverizer</td></tr>
<tr><td>Pipe Mills</td></tr>
<tr><td>Various Rolls for Rolling Mill & Pipe Mill</td></tr>
<tr><td>End Facing Machine for Pipe Mill</td></tr>
<tr><td>Anti Rust Oil Dipping Tank for MS Pipes</td></tr>
<tr><td>Pollution Equipments</td></tr>
<tr><td>EOT Crane</td></tr>
<tr><td rowspan="2">3.</td><td rowspan="2">Slitting Unit</td><td>Slitting Mill</td></tr>
<tr><td>EOT Crane</td></tr>
<tr><td rowspan="3">4.</td><td rowspan="3">Scaffolding Unit</td><td>Various Lathe Machine for manufacturing Scaffolding</td></tr>
<tr><td>Scaffolding Accessories Jointing Machine</td></tr>
<tr><td>Paint Dipping Tank for Scaffolding</td></tr>
</table>

Utilities

Raw Material

Our central procurement team based at our corporate office at Hyderabad handles the procurement of major raw materials and consumable items. We procure materials to maintain optimum inventory levels considering the production timelines. Our Units have procurement managers who understand and oversee the local material requirement and report the same to specific Unit managers, thereby ensuring a personalized understanding of the material requirement at the Unit level.

1. Sponge Iron

   Sponge Iron is manufactured from iron ore. The Iron Ore is mainly procured through the online bidding process and some portion is also procured locally.

2. Induction Furnace:

   Induction furnace uses steel melting scrap, Sponge Iron and pig irons. The scrap is acquired from open market and Sponge Iron is produced inhouse at our Unit II and is also purchased locally when required. All the raw material is available in the open market

3. Rolling Mill:

   Raw material required by rolling mill is MS Billets. The requirement of MS Billets by rolling is fulfilled by us internally through our existing capacity.

4. Pipe Mill:

   Pipe Mill is using H.R. Strips as raw material & the requirement of raw material is fulfilled by us internally.

5. Scaffolding:

   Main input is pipe which is produced in house.

Procurement of Iron Ore through E-Auction

- To bid in the MSTC E-Auction, we have registered our Company as a registered buyer. For registration we have submitted the application form along with a registration fee to MSTC. Furthermore, few other mining licenses e.g. Mines and Geology License from Andhra Pradesh State, Indian Bureau of Mining (IBM) License, End User Certificate from Department of Mines and Geology (DMG)-Karnataka and Approval from Monitoring Committee were also obtained by our Company to make us eligible for participation in the E-Auction conducted through MSTC towards procurement of Iron Ore.

- Whenever any auction schedule is announced at MSTC portal, we do the sample collection from the mentioned mines from various lots to get the test report for identification of the appropriate raw materials in terms of quality (Fe %) which can be useful to run the Kiln for production of finished goods.

- After selection of lot, EMD payment is being done for attending E-Auction on a specific date along with the submission of required documentation to MSTC within 24 hours before the schedule starting time of e-auction. Thereafter, e-payment confirmation will be received into the registered email id towards approval for participation in the scheduled e auction.

- During the live auction, bid can be placed for the desired lot size within the time frame. There is no limit for the number of bid at the MSTC portal. For any counter bid, a higher bid of ₹ 10 has to be placed than the active bid at that time. An extension of 5 minutes shall be given for any additional bid after the expiry of time as set for the said auction.

- After becoming successful bidder, bid approval confirmation from MSTC and an Acceptance letter from monitoring committee towards payment for procurement of Iron Ore along with the financial figures and terms and conditions will be received into the registered email id.

- Payment against the aforesaid acceptance letter can be done within the timeline. after making the full payment, tax invoice of Iron Ore along with GST, royalty and bulk permit fee will be received from the seller. Form-4 & Form-5 will also be received from the seller.

- An application for bulk permit will be given to monitoring committee for approval to lift the material. Thereafter, a release order will be issued from the respective forest department towards lifting of the materials.

- Monitoring committee will issue the bulk permit for lifting the said material. After arranging the transportation, movement of Iron Ore can be done from respective mines to our plant location.

- Whenever, the entire quantity of Iron Ore has been successfully lifted, the seller will issue a loading completion letter along with tax invoice towards the loading charges of the said material to us.

- On the basis of loading completion letter, we can apply for refund of EMD amount to monitoring committee which was initially deposited into the account of MSTC and then kept as Security at their end till the successful lifting and movement of the said lot of Iron Ore. Monitoring committee will issue the cheque for refund of EMD after verification of the respective documents.

Water

Water is required both for manufacturing process and domestic purposes, which is met from local water supply. Alternatively, we have also received permission under Mission Bhagirathi of the Government of Telangana to use water up to 10 KLD to be supplied to industries under this scheme.

Power

Our manufacturing plant and registered office have adequate power supply position from the public supply utilities. For Unit I we have a connected load of 13,999 KVA i.e. for furnace 9,999 KVA and 4,000 KVA for rolling & pipe mill from TSSPDCL. For Unit II we have a connected load of 500 KVA from SPDCAPL.

Plant and Machinery at our Unit II:

Sr. No	Unit II	Description of the Machine
1.	Sponge Iron Unit	Iron Ore Handling Equipment: a) Vibrating Feeder b) Vibrating Screen
		Coal Handling Equipment: a) Vibrating Feeder b) Tramp Iron Separator c) Vibrating Screen d) Coal Impactor
		Stock House: a) Volumetric Belt Feeders b) Sealing Air Fan with Motor c) Butterfly Damper
		Klin & Cooler Equipment: a) Complete Kiln b) Refractory c) Kiln Feed Tube d) Hydraulic System for Emergency Cap etc.
		Product House Circuit: a) Double Deck Vibrating Screen b) Magnetic Concentrate Separator
		Conveyor Equipment: a) 500 wide belt conveyors b) 600 wide belt conveyors c) Conveyor equipment
		Pollution Equipment
		Electrical Equipment

Environment, Health and Safety

We have obtained the relevant consents from Telangana Pollution Control Board and from Andhra Pradesh Pollution Control Board for Unit I and Unit II, under the Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution), Act, 1981 and authorization under Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008 and are renewed periodically. For further details, see "*Government and Other Approvals*" on page 287.

We have adopted safety procedures at our manufacturing Units, particularly in relation to the handling, storage, transportation of raw materials and Products. In addition, our staff is trained for safety at work and manuals for various activities. This includes knowledge about storage, handling and disposal of raw materials and Products, which they handle. We have provided necessary personal protection equipment for the safety of our workers.

Collaboration

Our Company has so far not entered into any technical or financial collaboration agreement with any third party.

Competition

We face competition from various domestic players in the markets we operate and sell our products. Steel industry is mostly dominated by some large companies, but the industry is also unorganized and fragmented with many small and medium-sized companies and entities.

We intend to continue competing vigorously to add market share and employ skilled management personnel to manage our growth in an optimal way.

Capacity Utilization:

Details of manufacturing unit	**Particulars**	**Fiscal**			**For six months period ended September 30, 2021#**
		2019	**2020**	**2021**	
Unit I – Mahbubnagar					
Induction Furnace	Installed Capacity (in MTPA)	37,200	95,832	95,832	47,916#
	Capacity Utilized (in MTPA)	31,000	46,276	44,788	35,727
	Utilized Capacity (in %)	83.33%	48.29%	46.74%	74.56%
Rolling Mill	Installed Capacity (in MTPA)	24,000	84,000	84,000	42,000#
	Capacity Utilized (in MTPA)	20,771	34,280	43,546	32,231
	Utilized Capacity (in %)	86.55%	40.81%	51.84%	76.74%
Piping Mill	Installed Capacity (in MTPA)	20,000	84,000	84,000	42,000#
	Capacity Utilized (in MTPA)	18,282	24,183	29,303	22.437
	Utilized Capacity (%)	91.41%	28.79%	34.88%	53.42%
Scaffolding	Installed Capacity (in MTPA)	1,000	1,000	1,000	500#
	Capacity Utilized (in MTPA)	655	980	282	441
	Utilized Capacity (%)	65.50%	98.00%	28.20%	88.20%
Unit II – Anantapur					
Sponge Iron	Installed Capacity (in MTPA)	0.00	0.00	36,000	18,000

Details of manufacturing unit	Particulars	Fiscal			For six months period ended September 30, 2021#
		2019	2020	2021	
	Capacity Utilized (in MTPA)	0.00	0.00	22,578	14,159
	Utilized Capacity (%)	0.00%	0.00%	62.72%	78.66%

**As per certificate dated February 10, 2022 issued by M/s. Maraya Engineering Consultants.*

#The installed capacity for six months period ended September 30, 2021 is not annualized

Our Company had applied with Telangana State Pollution Control Board (TSPCB) for enhancement of the licensed capacity of Unit I from of 1,26,000 MTPA to 6,86,400 MTPA and the same has been obtained from TSPCB on July 28, 2021. Further, in the present market scenario and increase in the demand for our products, we are planning to expand our existing installed capacity. We have utilized our manufacturing capacity to the extent of optimum level on the basis of licensed capacity. Hence, during the financial years 2019-20 and 2020-21, installed capacity of Unit I has not been fully utilized. Details in relation to capacity utilization of manufacturing facilities of our Company for Piping and Furnace operations on a quarterly basis for the last three (3) Fiscals and for six months period ended September 30, 2021 is as follows:

Details in relation to capacity utilization of manufacturing facilities of our Company for Pipe mill unit on a quarterly basis for the last three (3) Fiscals and for six months period ended September 30, 2021:

Quarter (Q)	**Fiscal 2019**				**Fiscal 2020**				**Fiscal 2021**				**For six months period September 30, 2021**			
	Licensed Capacity as per Pollution Control Board (in MTPA)	**Installed Capacity (in MTPA)**	**Utilized Capacity (in MTPA)**	**% of Peak Utilization (in %)**	**Licensed Capacity as per Pollution Control Board (in MTPA)**	**Installed Capacity (in MTPA)**	**Utilized Capacity (in MTPA)**	**% of Peak Utilization (in %)**	**Licensed Capacity as per Pollution Control Board (in MTPA)**	**Installed Capacity (in MTPA)**	**Utilized Capacity (in MTPA)**	**% of Peak Utilization (in %)**	**Licensed Capacity as per Pollution Control Board (in MTPA)**	**Installed Capacity (in MTPA)**	**Utilized Capacity (in MTPA)**	**% of Peak Utilization**
Q1	NA	20,000	4,448	24.33	NA	84,000	2,779	17.72	NA	84,000	3,367	11.49	NA	84,000	9,435	42.05
Q2			4,360	23.85			6,677	22.63			8,091	27.61			13,002	57.95
Q3			5,037	27.55			6,808	25.82			8,249	28.15			-	-
Q4			4,437	24.27			7,918	33.84			9,594	32.74			-	-
Total	**NA**	**20,000**	**18,282**	**100.00**	**NA**	**84,000**	**24,183**	**100.00**	**NA**	**84,000**	**29,303**	**100.00**		**84,000**	**22,437**	**100.00**
% of Utilization vs. Installed capacity			**91.41 %**				**28.79 %**				**34.88 %**				**26.71 %**	
% of Utilization vs. Licensed capacity as per Pollution Control Board			**NA**				**NA**				**NA**				**NA**	

**As per certificate dated February 10, 2022 issued by M/s. Maraya Engineering Consultants.*

Reasons for utilization levels for the Pipe Mill unit below 50% for the last three (3) Fiscals and for six months period ended September 30, 2021:

The installed capacity of piping unit at our Unit I is based on the manufacturing of pipe of similar sizes, shapes and thickness. The installed capacity mentioned in the above table cannot be considered or applied for the purpose of estimating the capacity utilisation accurately since we manufacture pipes of more than 150 variations with respect to their thickness, sizes and shapes (such as square, round and rectangle) in the same piping unit. While switching from one size to another size during manufacturing of pipes, some idle time is involved due to change in the technical parameters, of the piping unit, that is done manually. Further, the time of manufacturing is different for every variation of pipe. Also the speed of the pipe mill depends upon the thickness of the HR Strips used for manufacturing pipes. Due to aforesaid factors, there is variation in capacity utilisation. Additionally, during the last 3 Fiscals, the Billets manufactured by us, the mother raw material for manufacturing Pipes, were sold to other manufacturers to meet our working capital requirements. As on September 30, 2021, we have manufactured 22,437 MTPA of pipes as against the installed capacity of 84,000 MTPA leading to 26.71% (annualised 53.42%) capacity utilisation.

Details in relation to capacity utilization of manufacturing facilities of our Company for Furnace unit on a quarterly basis for the last three (3) Fiscals and for six months period ended September 30, 2021

Quarter (Q)	Fiscal 2019				Fiscal 2020				Fiscal 2021				For six months period September 30, 2021			
	Licensed Capacity as per Pollution Control Board (in MTPA)	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	% of Peak Utilization (in %)	Licensed Capacity as per Pollution Control Board (in MTPA)	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	% of Peak Utilization (in %)	Licensed Capacity as per Pollution Control Board (in MTPA)	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	% of Peak Utilization (in %)	Licensed Capacity as per Pollution Control Board (in MTPA)	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	% of Peak Utilization (in %)
Q1	63,000	37,200	7,542	24.33	63,000	95,832	8,200	17.72	63,000	95,832	5,146	11.49	1,45,200	95,832	16,320	45.68
Q2			7,394	23.85			10,472	22.63			12,366	27.61			19,408	54.32
Q3			8,541	27.55			11,948	25.82			12,608	28.15			-	-
Q4			7,524	24.27			15,660	33.84			14,664	32.74			-	-
Total	**63,000**	**37,200**	**31,000**	**100.00**	**63,000**	**95,832**	**46,276**	**100.00**	**63,000**	**95,832**	**44,788**	**100.00**	**1,45,200**	**95,832**	**35,728**	**100.00**
% of Utilization vs. Installed capacity			**83.33 %**				**48.29 %**				**46.74 %**				**37.28 %**	

% of Utilization vs. Licensed capacity as per Pollution Control Board	**49.21 %**				**73.45 %**				**71.09 %**				**24.61 %**	

**As per certificate dated February 10,2022 issued by M/s. Maraya Engineering Consultants.*

Reasons for utilization levels for the Furnace unit below 50% for the last three (3) Fiscals and for six months period ended September 30, 2021:

Initially, Telangana State Pollution Control Board ("**TSPCB**") has granted us permission to manufacture 63,000 MTPA MS Billets at our Unit I using only one Induction Furnace. However, looking at increased demand for our products, we installed another Induction Furnace unit at our Unit I in the Fiscal 2020 and applied for Environmental Clearance for increase in the present licensed capacity of Induction Furnace from 63,000 MTPA MS Billets to 1,45,200 MTPA MS Billets by using two Induction Furnaces. However, because of Covid-19 pandemic and new pollution norms, we received Environmental Clearance only on April 9, 2021. Thereafter, on July 28, 2021 and on September 14, 2021, we received the Consent for Expansion and Consent to Operate, respectively from TSPCB for aforementioned expansion to manufacture 1,45,200 MTPA MS Billets by using two Induction Furnaces.

Additionally, there is involvement of heating process in the Induction Furnace, at the time of conversion of raw material such as scrap, sponge iron and pig iron into liquid metal in batches. A single batch of heating process generally takes three (3) hours by which we are able to procure 18 MTPA liquid metal. Thereafter, the liquid metal gets converted into MS Billets (solid form) by using certain processes which generally takes half an hour. Hence, the installed capacity of the Induction Furnace cannot be utilized fully because of time gap between aforementioned two processes.

Accordingly, total Installed Capacity of Induction furnaces installed at our Unit I is determined as follows:

Particulars	Installed Capacity in a day	Number of heats in a day	Total Installed capacity per day (Installed Capacity (X) Number of Heats)
1st Induction furnace	15 MT	8	120 MT
2nd Induction furnace	18 MT	8	144 MT
Total	**33 MT**	**16**	**264 MT**

Total Installed capacity of both the Induction furnaces in a year = Total Installed Capacity in a Day (X) Number of working days in a year

= 264 MT x 363 days

= 95,832 MTPA

As on September 30, 2021, the Company manufactured 35,727 MT of Billets as against the installed capacity of 95,832 MTPA leading to capacity utilization of 37.28% (annualized 74.56%).

Sales & Marketing

We have our in-house marketing team twelve (12) dedicated personnel. Our marketing team has vast experience and good networking and negotiation skills to service our clients. Timely delivery and quality of products plays an instrumental role in creating and expanding our existing clientele. Our team regularly interacts with our dealers and retailers to gain insights on specific needs of customers.

The Company has a multi-tiered dealer network wherein the dealers are categorized viz platinum, gold, silver, bronze and copper based on their size, business and potential. This allows for customer centric activities including dedicated support to understand requirements, appropriate response to produce products suited to customers' need and extending of credit. We have over two hundred (200) distributors and dealers based out of South and West India who sell our products on a regular basis. We also sell MS Pipes and Scaffoldings to certain developers and contractors on a B2B basis.

As a part of our marketing efforts, we advertise our products through dealer sign boards, wall/shop shutters painting advertisements. We also advertise our products by way of branding stationery/gift items to dealers and retailers.

Export and Export Obligations

Our Company does not have any export obligations as of September 30, 2021.

Quality Management

We endeavor to ensure and maintain stringent quality standards at all stages of our production process. Our aim is to reduce cost and cycle times through effective and efficient use of resources. We have a team of engineers and professionals responsible for ensuring quality standards. In executing the projects, we monitor and test all materials for conformity, track non-conformities and make rectifications to ensure clients' satisfaction. We endeavor to be the customers' preferred suppliers.

We have obtained IS 3601:2006 for steel pipes for mechanical and general engineering purposes, IS 2830:2012 for MS Billets, IS 4923:2017 for hollow steel sections for structural use. Our Company has obtained quality management system certificates viz. ISO 9001:2015.

Information Technology

We have deployed information technology systems and accounting system to support our business processes, including sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance.

Human Resources

Our Company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. As on January 31, 2022, we have 249 employees on our payroll. Apart from this, we also engage contract laborer to facilitate our manufacturing operations.

We are committed to the development of the expertise and know-how of our employees through technical seminars and training sessions organised or sponsored by the Company. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations.

Corporate Social Responsibility (CSR)

Our Company and its employees are conscious of their role in society and keenly participate in social welfare measures. Our Company has constituted a Corporate Social Responsibility (**CSR**) Committee and formulated a CSR policy to govern such initiatives. The CSR activities undertaken by our Company include areas such as financial assistance for animal welfare and healthcare, including contribution to the PM Cares fund towards the country's efforts to fight the Covid-19 pandemic.

We incurred ₹27.93 Lakhs, ₹ 11.91 Lakhs and ₹ 6.25 Lakhs in Fiscal 2021, 2020 and 2019, respectively, towards corporate social responsibility activities.

Properties / Land details

We own the following immovable properties:

Address of Premises owned	Purpose
Survey. No.58/62/63 total admeasuring acres 5.36 situated at Sheriguda Village, Peddaiahpally G. P., Balanagar Mandal, Mahabubnagar District, Telangana.	Unit I
Land and building situated at Survey No. 98, D. Hirehal Village and Mandal, Anantapur District, Andhra Pradesh admeasuring 9.31 acres (approx.)	Unit II
Vacant land situated at Survey No. 98, D. Hirehal Village and Mandal, Anantapur District, Andhra Pradesh admeasuring 10.00 acres (approx.)	Land adjacent to Unit II

Further, we have taken the following premise on leave and license basis:

Address of Premises leased	Name of Licensor/Lessor	Purpose
1st Floor, Samarpan, Door No. 3-4-174/12/2, Lane beside Spencer's, Pillar No. 125, Attapur, Rajendranagar, Hyderabad – 500030	Rupesh Kumar Gupta	Registered office
2nd Floor, Samarpan, Door No. 3-4-174/12/2, Lane beside Spencer's, Pillar No. 125, Attapur, Rajendranagar, Hyderabad – 500030	Parul Gupta	Corporate office
Survey. No. 64 total admeasuring Acres 5.28 acres situated at Sheriguda Village, Balanagar Mandal, Mahabubnagar District, Telangana.	Sailesh Gupta	Unit I
Survey. No. 39 admeasuring 5.01 acres situated at Sheriguda Village, Balanagar Mandal, Mahabubnagar District, Telangana.	Rupesh Kumar Gupta	Setting up of two (2) additional pipe mills adjacent to our existing Unit I.

Insurance

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, flood and other force majeure events, including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements.

We maintain insurance policies that we believe are customary for companies operating in our industry. Our insurance policies include standard fire and special perils policy, machinery breakdown insurance policy, electronic equipment insurance policy, group personal accident insurance policy, life insurance policy for Mr. Rupesh Kumar Gupta and Mr. Sailesh Gupta, and certain vehicle insurance policies. Our insurance policies may not be sufficient to cover our economic loss.

Details of insurance coverage (location-wise) obtained by the Company for last three (3) Fiscals:

Fiscal 2021

Unit I

Type of Insurance	Sum Assured (in ₹ lakhs)
Machinery Breakdown	469.20
Electronic Equipment	88.00
Fire Insurance (Building/Plant and Machinery/Stock)	7,200.00

Unit II

Type of Insurance	Sum Assured (in ₹ lakhs)
Fire Insurance (Building/Plant and Machinery/Stock)	1,500.00

Registered Office

Type of Insurance	Sum Assured (in ₹ lakhs)
Vehicle Insurance	95.50

Fiscal 2020

Unit I

Type of Insurance	Sum Assured (in ₹ lakhs)
Machinery Breakdown	469.20
Electronic Equipment	88.00
Fire Insurance (Building/Plant and Machinery/Stock)	7,400.00

Registered Office

Type of Insurance	Sum Assured (in ₹ lakhs)
Vehicle Insurance	97.03

Fiscal 2019

Unit I

Type of Insurance	Sum Assured (in ₹ lakhs)
Machinery Breakdown	367.33
Electronic Equipment	56.41
Fire Insurance (Building/Plant and Machinery/Stock)	7,800.00

Registered Office

Type of Insurance	Sum Assured (in ₹ lakhs)
Vehicle Insurance	111.58

See "*Risk Factors – Internal Risk Factors – Our insurance cover may not adequately protect us against all material hazards and accidents.*" On page 22.

Intellectual Property

We have registered following marks with the Trade Mark Registry:

Particulars of Mark	Type of mark	Class	Trade Mark Number	Validity
Will to work.....	Word	6	3465133	January 23, 2027
HARIOM PIPES	Word	6	2147653	May 6, 2031

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies that are applicable to our business operations of the Company, as prescribed by the Government of India and other regulatory bodies. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations set below may not be exhaustive, are intended only to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, refer "Government and Other Approvals" on page 287 *of this Red Herring Prospectus.*

Except as otherwise specified in this Red Herring Prospectus, taxation statutes including the Income Tax Act, 1961 and other miscellaneous regulations and statutes may apply to us as they do to any other Indian company. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Set forth below are certain significant Indian legislations and regulations which are generally adhered to by the industry that we operate in.

Set forth below are certain significant Indian legislations and regulations which are generally adhered to by the industry that we operate in.

Industry specific Regulations

1. 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. 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, ferroalloys, land, water, power, infrastructure and logistics, and environmental management.

2. Steel and Steel Products (Quality Control) Order, 2020 (the "Quality Control Order 2020")

The Steel and Steel Products (Quality Control) Order, 2020, as amended, was notified by the Ministry of Steel, Government of India, to bring certain steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020. The Quality Control Order 2020 further provides that every steel and steel products stated therein shall bear the standard mark under a license from Bureau of Indian Standards as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

3. Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act establishes Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

4. **Bureau of Indian Standards Rules, 2018 (the "Bureau of Indian Standards Rules")**

The Bureau of India Standards Rules, 2018 have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

5. **Legal Metrology Act, 2009 (the "Legal Metrology Act")**

The Legal Metrology Act has been in force since April 1, 2011 and replaces the Standards of Weights and Measures Act, 1976. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions under the Legal Metrology Act; (c) requirement of licenses for companies in order to manufacture and sell products; and (d) stringent punishment for violation of provisions.

Environmental Laws

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 and the rules and regulations thereunder and The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

1. **Environment Protection Act, 1986 (the "Environment Act")**

The Environment Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per this Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

2. **Environment (Protection) Rules, 1986 (the "Environment Rules")**

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board ("***PCB***") an environmental statement for that financial year in the prescribed form.

3. **Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")**

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four (4) months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

4. **Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")**

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board (the **"State PCB"**). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

5. **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Wastes Rules")**

The Hazardous Waste Rules define the term "hazardous waste" and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an "occupier". In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

6. **Water (Prevention & Control of Pollution) Cess Act, 1977 (the "Water Cess Act") and Water (Prevention & Control of Pollution) Cess Rules, 1978 (the "Water Cess Rules")**

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the central and State PCB for the prevention and control of water pollution constituted under the Water Act. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, *inter alia*, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

Intellectual Property Laws

1. **Trade Marks Act, 1999 (the "Trade Mark Act")**

The Indian law on trademark is enshrined in the Trade Marks Act of 1999. Under the existing Trade Mark Act, a trademark is a mark used in relation to goods and/or services so as to indicate a connection between the goods or services being provided and the proprietor or user of the mark. A 'Mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination thereof or a combination of colours and so forth. The trademark once it is applied for is advertised in the trademarks journal, oppositions, if any, are invited and after satisfactory adjudication of the same, is given a certificate of registration. The right to use a mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fees.

Industrial and Labour Laws

Factories Act, 1948 (the "Factories Act")

Factories Act defines a 'factory' to cover any premises which employs ten or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are employed in a manufacturing process.

Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The Factories Act also provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

1. The Contract Labour (Regulation and Abolition) Act, 1970
2. The Employees' Compensation Act, 1923
3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
4. The Employees' State Insurance Act, 1948
5. The Industrial Disputes Act, 1947
6. The Industrial Employment (Standing orders) Act, 1946
7. The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986
8. The Payment of Bonus Act, 1965
9. The Minimum Wages Act, 1948
10. The Payment of Wages Act, 1936
11. The Equal Remuneration Act, 1976
12. Maternity Benefit Act, 1961
13. The Apprentices Act, 1961
14. The Payment of Gratuity Act, 1972
15. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
16. The Trade Unions Act, 1926
17. The Industrial Employment Standing Order Act,1946 and The Sales Promotion Employees (Conditions of Service) Act, 1976
18. The Unorganised Workers Social Security Act, 2008
19. Andhra Pradesh Fire Services Act, 1999
20. Telangana Fire Services Act, 1999

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and will be applicable to the Company to the extent notified. Different dates may be appointed for different provisions of the Code on Social Security, 2020. It will subsume The Employees' Compensation Act, 1923, The Employees' State Insurance Act, 1948, The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Code on Wages, 2019 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and will be applicable to the Company to the extent notified. Different dates may be appointed for different provisions of the Code on Wages, 2019. It will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. In pursuance of the code, the Code on Wages (Central Advisory Board)

Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and will be applicable to the Company to the extent notified. Different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. It will subsume 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 Industrial Relations Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and will be applicable to the Company to the extent notified. Different dates may be appointed for different provisions of the Industrial Relations Code, 2020. It will subsume the Trade Union Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Dispute Act, 1947.

Shops and establishments legislations are state legislations that seek to govern and regulate the working conditions of workers and employees employed in commercial establishments or shops or other establishments, as the case may be, within that state. Every such establishment is required to register itself under the relevant state's shops and establishments legislation in accordance with the procedure laid down therein.

Regulations Related to Foreign Trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 (the "Foreign Trade Act"). The Foreign Trade Act has empowered the Central Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments especially that of the Director-General to advise the Central Government in formulating import and export policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number (IEC) from the Director-General or the authorized officer. The act provides the balancing of all the budgetary targets in terms of imports and exports. The principal objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

Other Laws and Regulations

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, 2013 and the rules framed thereunder and other applicable statutes promulgated by the relevant Central and State Governments including the central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as 'Hari Om Concast And Steels Private Limited' at Hyderabad as a private limited company in accordance with the provisions of the erstwhile Companies Act, 1956, pursuant to a certificate of incorporation dated June 21, 2007 issued by the Registrar of Companies, Andhra Pradesh. Thereafter, the name of our Company was changed to 'Hariom Pipe Industries Private Limited' vide special resolution dated December 12, 2017 and a fresh certificate of incorporation consequent to name change was issued on December 27, 2017 by Registrar of Companies, Hyderabad. Thereafter, our Company was converted into to a public limited company and consequently, the name of our Company was changed to 'Hariom Pipe Industries Limited' by a special resolution passed on January 08, 2018 and a fresh Certificate of Incorporation consequent upon conversion was issued on January 17, 2018 by the Registrar of Companies, Hyderabad.

Changes in our Registered Office:

Except as disclosed below, there has been no change in the registered office of our Company since the date of its incorporation:

Date of change	Details of Change in the Registered office	Reason for Change
December 4, 2017	From: 15-8-511/1/2, Feelkhana Hyderabad, Telangana- 500012 To: 3-4-174/12/2, 1st Floor, Samarpan, lane besides Spencer's, Pillar No. 125, Attapur, Hyderabad 500 048, Telangana, India	Administrative convenience

Main Objects of our Company:

Our Company's main objects as per the Memorandum of Association are as follows:

1. To manufacture, produce, roll, re-roll, buy, sell, import, export, or otherwise deal in all kinds of steel tubes, strips, ingots, rods, joints, channels, chimneys, rails, wire ropes, furniture's, plates and windows of every kind and descriptions, flats, angles, channels, square, rounds, sheets, wires, plates, pipes, deformed bars, plain and cold twisted bars, shafting, structural's whether rolles, forget or drawn and their by-products.

2. To carry on the business as iron-masters, iron and steel makers, steel founders, steel convertors, steel fabricators, extruders, iron ore miners, steel re-processors, metallurgists, smelters and as manufacturers of and dealers in ferrous castings and forgings of all types.

3. To carry on the business of manufacturers, fabricators and dealers, exporters and importers of all varieties of steel, strips, special steel, carbon steel, tool, alloy, steel, mild steel, MS Tubes, HR Strips, GI Strips, CR Strips, Skelps, Tube Fittings and any other kind and grades of steel and to carry on and execute the work of steel engineers including manufacturing and dealing in steel billets, steel rods, steel ingots, steel sheets, steel wires and in all kinds of steel products whether forged, rolled or down and consequently to manufacture, sell and deal in all or any of the by-products which will be obtained in the process of manufacturing these steel products.

4. To carry on the business of manufacturers, processors, fabricators, drawers, rollers and re-rollers of ferrous and non-ferrous metals, steels, bimetal product, copper and copper alloys, alloy steel, sponge iron, Pig Iron, prestressed pillars, billets including manufacturing, processing and fabricating of pipes, utensils, wires, nails, wire ropes, wire products, screws, expanded metal hinges, plates, hoops, angles and to manufacture any other engineering products including hospital appliances and surgical instruments and to act as exporters and importers and dealers in all such and allied merchandise.

5. To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar, hydrocarbon fuel or any other form, kind or description and

commissioning, setting up, operating and maintaining electric power transmission systems/networks, power systems, generating stations based on conventional/ non-conventional resources for evacuation, transmission, distribution, trading or supply of power through establishing or using stations, tie-lines, sub-stations and transmission or distribution lines in any manner including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis or otherwise ,and to acquire in any manner power transmission systems/networks, power systems, generation stations, tie-lines, sub-stations and transmission or distribution systems from State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies, other captive or independent power producers and distributors and to do all the ancillary , related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last ten years

Date of Shareholders' resolution/ amendment	Nature of amendment
March 9, 2012	Clause of V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from from ₹3,50,00,000 divided into 17,00,000 Equity Shares of ₹10 each and 1,80,000 Preference Shares of ₹100 each to ₹3,81,00,000 divided into 17,00,000 Equity shares of ₹10 each and 2,11,000 Preference shares of ₹100 each.
May 31, 2013	Existing sub-clause 2 of Clause of III (C) of our Memorandum of Association was replace with following sub-clause 2: "2. To carry on in India or elsewhere the business to sell, purchase, exchange, subscribe, acquire, undertake, underwrite, hold, auction, convert, trade or otherwise to deal in all types of shares, securities, stocks, bonds, commodities, fully convertible debentures, partly convertible debentures, debenture stocks, inter-corporate deposits issued by government, semi-government, local authorities, public sector undertakings, companies, corporations, co-operative societies, and other similar organizations at national and international levels."
February 15, 2016	Clause of V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹3,81,00,000 divided into 17,00,000 Equity shares of ₹10 each and 2,11,000 Preference shares of ₹100 each to ₹8,31,00,000 divided into 17,00,000 Equity Shares of ₹10 each and 2,11,000 0% Redeemable Optionally Convertible Preference shares of ₹100 each and 45,00,000 0% Series A Redeemable Non Cumulative Preference Shares of ₹10 each.
July 1, 2017	Clause of V of our Memorandum of Association was amended to reflect the re-classification of authorised share capital from ₹8,31,00,000 divided into 17,00,000 Equity shares of ₹10 each, 2,11,000 0% Redeemable Optionally Convertible Preference shares of ₹100 each and 45,00,000 0% Series A Redeemable Non Cumulative Preference Shares of ₹10 each to ₹8,31,00,000 divided into 29,06,200 Equity Shares of ₹10/- each; 2,08,760 0% Redeemable Optionally Convertible Preference Shares of ₹100/- each and 33,16,200 Series A Redeemable Non Cumulative Preference Shares of ₹10 each.
December 12, 2017	Clause of V of our Memorandum of Association was amended to reflect the re-classification of authorised share capital from ₹8,31,00,000 divided into 29,06,200 Equity Shares of ₹10 each; 2,08,760 0% Redeemable Optionally Convertible Preference Shares of ₹100 each and 33,16,200 Series A Redeemable Non Cumulative Preference Shares of ₹10 each to ₹8,31,00,000 divided into 49,93,800 Equity Shares of ₹10 each and 33,16,200 Series A redeemable Non Cumulative Preference Shares of ₹10 each.

Date of Shareholders' resolution/ amendment	Nature of amendment
	Clause of V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹8,31,00,000 divided into 49,93,800 Equity Shares of ₹10 each and 33,16,200 Series A redeemable Non Cumulative Preference Shares of ₹10 to ₹16,00,00,000 divided into 1,26,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each
	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Hari om Concast and Steels Private Limited' to 'Hariom Pipe Industries Private Limited'.
January 8, 2018	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Hariom Pipes Industries Private Limited' to 'Hariom Pipe Industries Limited' pursuant to conversion of our Company from a private limited company to a public limited company.
	Existing Object Clause III of our Memorandum of Association was replaced in the entirety with the revised Object Clause III.
February 9, 2018	Clause of V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹16,00,00,000 divided into 1,26,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each to ₹19,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each.
March 23, 2019	Clause of V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹19,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each to ₹22,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each; 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each and 30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each
February 24, 2020	Clause of V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹22,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each; 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each and 30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each to ₹28,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each; 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each; 30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each and 60,00,000 0% Series B Compulsory Convertible Non Cumulative Preference Shares of ₹10 each.
December 21, 2020	Clause of V of our Memorandum of Association was amended to reflect the re-classification of our authorised share capital from ₹28,00,00,000 divided into 1,56,83,800 Equity Shares of ₹10 each; 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each; 30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each and 60,00,000 0% Series B Compulsory Convertible Non Cumulative Preference Shares of ₹10 each to ₹28,00,00,000 divided into 2,16,83,800 Equity Shares of ₹10 each; 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each and30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each.
March 25, 2021	Clause of V of our Memorandum of Association was amended to reflect the re-classification of our authorised share capital from ₹28,00,00,000 divided into 2,16,83,800 Equity Shares of ₹10 each; 33,16,200 Series A redeemable Non Cumulative Preference Shares of ₹10 and 30,00,000 3% Series A redeemable Non Cumulative Preference Shares of ₹10 each to ₹28,00,00,000 divided into 2,46,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each.
September 14, 2021	Clause of V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹28,00,00,000 divided into 2,46,83,800 Equity Shares of ₹10

Date of Shareholders' resolution/ amendment	Nature of amendment
	each and 33,16,200 Series A redeemable Non Cumulative Preference Shares of ₹10 each to ₹32,00,00,000 divided into 2,86,83,800 Equity Shares of ₹10 each and 33,16,200 0% Series A redeemable Non Cumulative Preference Shares of ₹10 each.

Major Events and Milestones

The table below sets forth some of the key events and milestones in the history of our Company:

Year	Event
2007	Incorporation of our Company.
2010	Commencement of production of HR Strips and MS Tubes at our Unit I
2011	Commencement of production of Scaffolding at our Unit I
2013	Commencement of production of HR Slit Coil & MS Tubes at our Unit I
2018	Conversion of our Company from private limited to public limited
	Achieved Turnover of ₹10,000.00 lakhs.
2020	Acquisition of Unit II at Anantapur
2021	Receipt of ISO 9001:2015 (Quality Management System) in respect of manufacturing of MS Billets, HR Strips, MS Pipes, MS Sections, GP Pipes and Scaffoldings

Launch of Key Products or services

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities. For details, see "*Our Business*" beginning on page 125.

Financial or Strategic Partners

As on the date of the Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Time or cost overrun

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

Defaults or rescheduling of borrowings with financial institutions/ banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Red Herring Prospectus.

Holding company

As on the date of this Red Herring Prospectus, our Company does not have any holding company.

Subsidiary of our Company

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary.

Joint Ventures of our Company

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures.

Details regarding acquisition or divestment of business or undertakings

In August 2020, we have acquired Sponge Iron Unit situated at, Anantapur, Andhra Pradesh, with a capacity of 36,000 MTPA. For further details, see "*Our Business*" beginning on page 125. Other than aforementioned, our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation, or revaluation of assets in last ten years.

Mergers or amalgamation

Our Company has not been party to any merger or amalgamation in the ten (10) years preceding the date of this Red Herring Prospectus:

Details of shareholders' agreements

There are no subsisting shareholder's agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Red Herring Prospectus.

There are no special rights available to the Shareholders / Investors of Our Company which shall cease to exist or expire / waived immediately before or on the date shares are allotted to public shareholders in the Issue.

There are no special rights that will continue post listing which are prejudicial or adverse to the interest of the minority/ public shareholders if continued post listing.

Agreements with Key Managerial Personnel, Director, Promoter or any other employee

Neither our Promoter, 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 the dealings of the securities of our Company.

OUR MANAGEMENT

Board of Directors

Under our Article of Association, we are required to have not less than 3 (three) Directors and not more than 15 (Fifteen) Directors. As on the date of this Red Herring Prospectus, our Company currently has 6 (six) Directors, out of which 2 (two) are Executive Directors; 1 (one) is Non-Executive Director who is also a women Director and 3 (three) are Independent Directors.

Set forth below are details regarding our Board as on the date of this Red Herring Prospectus:

Name, Designation, Address, Date of Birth, Occupation Term, Period of Directorship and DIN	Age (in years)	Other Directorships
Pramod Kumar Kapoor *Designation:* Chairman and Independent Director *Address:* 8-2-248/P/A, Flat No. 102, Namitha Isle, Road No. 3, Near Chutneys Restaurant, Banjara Hills, Erramanzil, Hyderabad, Telangana 500 082, India *Date of Birth:* November 25, 1951 *Occupation:* Business *Term:* 5 years *Period of Directorship***:** Director since January 8, 2018. *DIN:* 03557358	70	• Nil
Rupesh Kumar Gupta *Designation:* Managing Director *Address:* 3-4-174, Bungalow no. 70, Ambience Fort, Pillar No. 125, Hyderguda, Hyderabad, Rangareddi, Andhra Pradesh, 500 048, India *Date of Birth:* October 2, 1976 *Occupation:* Business *Term:* 3 years *Period of Directorship***:** Re-appointed as Managing Director w.e.f. January 8, 2021 *DIN:* 00540787	45	• Reo Solutions Private Limited
Sailesh Gupta *Designation:* Whole-time Director	40	• Nil

Name, Designation, Address, Date of Birth, Occupation Term, Period of Directorship and DIN	Age (in years)	Other Directorships
Address: 3-4-174, Attarpur,. Ambience Fort-70, Rajendranagar, Attarpur , Rangareddi, Andhra Pradesh 500048, India *Date of Birth:* October 5, 1981 *Occupation:* Business *Term:* 3 years *Period of Directorship*: Re-appointed as Whole-time Director w.e.f. January 8, 2021 *DIN:* 00540862		
Sunita Gupta *Designation:* Non-Executive Director *Address:* 3, Plot no. 70, Ambience Fort, Pillar. 125, Attarpur, Hyderabad, Rangareddi, Andhra Pradesh -500 048, India. *Date of Birth:* December 31, 1956 *Occupation:* Business *Term:* Liable to retire by rotation. *Period of Directorship*: Director since October 1, 2014 *DIN:* 02981707	65	• Ansh Commerce Private Limited
B. Shanti Sree *Designation:* Independent Director *Address:* H. No. 8-2-293/82/HE/2, Huda Enclave, Road No. 70, Jubilee Hills, Hyderabad – 500096, Telangana, India. *Date of Birth*: May 17, 1962 *Occupation:* Professional *Term:* 5 years *Period of Directorship*: Director since May 15, 2021 *DIN:* 07092258	59	• Nava Bharat Ventures Limited • B.N. Rathi Securities Limited
G. Rajender Reddy *Designation:* Independent Director	62	• Securum Assets Reconstruction Private Limited

Name, Designation, Address, Date of Birth, Occupation Term, Period of Directorship and DIN	Age (in years)	Other Directorships
Address: 2-2-23/22/D/3/1, DD Colony, Narayana High School, Amber Pet, Hyderabad – 500013, Telangana, India *Date of Birth:* January 20, 1960 *Occupation:* Professional/ Retired Banker *Term:* 5 years *Period of Directorship***:** Director since May 15, 2021 *DIN:* 09165223		

Relationship between our Directors and our Directors and Key Managerial Personnel

Other than as mentioned below, none of our Directors are related to each other or to any of the Key Managerial Personnel:

No.	Name of the Director	Related To	Nature of Relationship
1.	Rupesh Kumar Gupta	Sailesh Gupta	Brother
2.	Rupesh Kumar Gupta	Sunita Gupta	Mother
3.	Sailesh Gupta	Sunita Gupta	Mother
4.	Sailesh Gupta	Rupesh Kumar Gupta	Brother

Brief Profiles of our Directors

Pramod Kumar Kapoor, aged 70 years is the Chairman and Independent Director of our Company. He holds a Bachelor's degree in Textile Technology from Birendra Narayan Chakrabarty University, Kurukshetra. He has more than 17 years of experience in textile industry. Previously, he has worked as President – Marketing (Textiles- Domestic Sales) in Visaka Industries Limited. Presently, he is into business of plastic manufacturing.

Rupesh Kumar Gupta, aged 45 years is one of the Promoters of our Company, and Managing Director of our Company. He has been the main guiding force behind the growth and business strategy of our Company. He has more than two decades of experience in steel industry.

Sailesh Gupta, aged 40 years is one of Promoters of our Company, and the Whole-time Director of our Company. He has experience of more than a decade in Marketing. He is a Commerce Graduate from Osmania University. He has been a backbone of our Company for identifying, negotiating and implementing new business opportunities. He is in charge of overall sales & marketing function with focus on continuous communication and building relationships with our clients. He plays crucial role in team building and clients addition and retention.

Sunita Gupta aged 65 years is the Non-Executive Director of our Company. She has 2 years of experience in steel industry.

B. Shanti Sree aged 59 years is the Independent Director of our Company. She is a member of Institute of Chartered Accountants of India. She has completed post-graduate course in Applied Science from CMC Limited. She also holds registration with Insolvency and Bankruptcy Board of India to act as an Insolvency Professional. She has more than ten (10) years of experience in audit, taxation, banking and finance. She is currently a practicing Chartered Accountant and associated as Designated Partner with M/s Tukaram & Co LLP., Chartered Accountants, Hyderabad**.** Previously, she was on the board of State Bank of Hyderabad as nominee director.

G. Rajender Reddy aged 62 years is the Independent Director of our Company. He has completed his B.Sc. (Agriculture) and M.Sc. (Agriculture) from Andhra Pradesh Agricultural University, Hyderabad. He is a retired Banker and has worked as General Manager in Canara bank and retired in January 2020. He has over 25 years of experience in the field of banking including credit analysis, infrastructure lending, project finance and corporate finance, stressed asset management, risk management and compliance functions.

Confirmations:

- None of the Directors is categorized or are on the RBI List of wilful defaulters or fraudulent borrower.
- None of our Directors are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s).
- None of our Directors, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers of our Board

Pursuant to our Articles of Association and in accordance with the provisions of the Companies Act, our Shareholders have passed a special resolution in their meeting held on January 28, 2022, authorizing our Board to borrow, for and on behalf of our Company, from time to time, any sum or sums of monies, in one or more tranches, which may exceed the aggregate of the paid up share capital, free reserves and securities premium account of our Company, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 50,000 lakhs, including the money already borrowed by our Company.

Terms of Appointment of our Executive Directors

Rupesh Kumar Gupta

Rupesh Kumar Gupta has been a Director of our Company since incorporation. Our shareholders, pursuant to a special resolution passed on January 8, 2018, appointed him as a Managing Director of our Company. He was re- appointed as Managing Director pursuant to a Board resolution dated December 14, 2020 and pursuant to a shareholders resolution dated December 30, 2020 for a period of three years with effect from January 8, 2021 at remuneration of Rs 180.00 lakhs per annum (in terms of Schedule V and other applicable provision if any, of the Companies Act, 2013).

Sailesh Gupta

Sailesh Gupta has been a Director of our Company, since January 9, 2010. Our shareholders, pursuant to a special resolution dated January 8, 2018, appointed him as a Whole Time Director of our Company. He was re- appointed as Whole Time Director by our Board pursuant to a resolution dated December 14, 2020 and shareholders' pursuant to a resolution dated December 30, 2020 for a period of three years with effect from January 8, 2021 at remuneration of 144.00 lakhs per annum (in terms of Schedule V and other applicable provision if any, of the Companies Act, 2013).

Payment or benefit to Directors of our Company

Details of the remuneration or sitting fees paid to our Directors in Fiscal 2021 are set forth below.

(i) Remuneration to our Executive Directors

Details of the remuneration paid to our Executive Directors in the Financial Year 2021 are set forth below:

(₹ in lakhs)

Sr. No.	Name of the Executive Director	Designation	Remuneration
1.	Rupesh Kumar Gupta	Managing Director	180.00
2.	Sailesh Gupta	Whole-Time Director	144.00

(ii) Remuneration to our Non-Executive and Independent Directors

Pursuant to a Board resolution dated on June 9, 2018 our Non-Executive Directors and Independent Directors are entitled to receive sitting fee of ₹10,000 for attending every meeting of the Board and ₹ 2,500 for any committee meetings of our Company.

Further, details of the sitting fees paid to our Non-Executive Directors and Independent Directors in the Fiscal 2021 are set forth below:

(₹ in lakhs)

Sr. No.	Name of the Director	Designation	Sitting Fees
1.	Pramod Kumar Kapoor	Chairman and Independent Director	1.20
2	Sunita Gupta	Non-Executive Director	1.13
3.	G. Rajender Reddy*	Independent Director	Nil
4.	B. Shanti Sree*	Independent Director	Nil

**Since G. Rajender Reddy and B. Shanti Sree were appointed as independent directors after March 31, 2021, no sitting fees was paid to them during Financial Year 2021.*

Note: Our Company has paid ₹1.15 Lakhs to Santosh Kumar Rathi as sitting fees in the capacity of Independent Director who has resigned on March 19, 2021

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of this Red Herring Prospectus, none of our Directors hold any Equity Shares, except as disclosed below:

Name of Director	Number of Equity Shares Held (Pre-Issue)	% of pre-Issue paid-up equity share capital
Rupesh Kumar Gupta	41,93,847	24.70%
Sailesh Gupta	29,36,222	17.30%
Sunita Gupta	10,75,720	6.34%

Interest of Directors

a) All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any payable to them for attending meeting of our Board or Committees thereof. For Further details, see *"Terms of Appointment of our Executive Directors"* and *"Payment or benefits to Directors of our Company"*, on page 158.

b) Our Directors may also be interested to the extent of Equity Shares, if any (together with dividend in respect of such Equity shares) held by them in our Company. One of our Director, Sailesh Gupta is also interested to the extent of 0% Series A Redeemable Non Cumulative Preference Shares held by him in our Company.

c) Except as disclosed in "*Our Business – Properties/ Land details*" on page 141 of this Red Herring Prospectus, none of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

d) Further, none of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Other than Rupesh Kumar Gupta and Sailesh Gupta who are our Promoters and are interested as disclosed in the section titled "*Our Promoters and Promoter Group*" on page 169, none of our Directors, are interested in the promotion or formation of our Company.

e) No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

f) Further, except as disclosed in "*Restated Financial Statements*" beginning on page 177, no loans have been availed by our Directors from our Company.

g) Further, some of our Directors are also shareholders, members, directors and partners of certain Promoter Group entities and may be deemed to be interested to the extent of the payments made by our Company to such Promoter Group entities and the shareholding of such Promoter Group entities, if any and dividends declared thereon. For the payments that are made by our Company to certain Promoter Group entities, For the payments that made by our company to certain Promoter Group entities, see "*Restated Financial Statements –Note 31 – Related Party Transactions and Disclosure*" on page 177.

h) Our Directors may be interested to the extent of Equity Shares, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or held by their relatives or that may be subscribed by or allotted to the companies, firms in which they are interested as promoter, directors, partners, or members or pursuant to the Issue.

Appointment of relatives of Directors to any office or place of profit

Except for Parul Gupta and Isha Gupta, no other relatives of directors have been appointed to any office or place of profit in our Company.

Changes in our Board during the last three years

Except as disclosed below, there have been no changes in our Board during the last three years:

Name of Director	Date of appointment / Change in designation/ Date of Cessation	Reason
Rupesh Kumar Gupta	January 8, 2021	Re-appointment as Managing Director
Sailesh Gupta	January 8, 2021	Re-appointment as Whole-time Director
Santosh Kumar Rathi	March 19, 2021	Resigned as an Independent Director
B. Shanti Sree	May 15, 2021	Appointment as an Independent Director
G. Rajender Reddy	May 15, 2021	Appointed as an Independent Director

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. As on the date of this Red Herring Prospectus, our Company is in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance, in relation to composition of our Board and committees, thereof..

Currently, our Board comprises of 6 directors, which includes 3 Independent Directors, 2 Executive Directors, and 1 Non-Executive Director. In compliance with the provisions of the Companies Act at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

Committees of our Board

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee; and
d. Corporate Social Responsibility Committee

1. **Audit Committee**

Our Audit Committee was last re-constituted pursuant to a resolution of our Board of Directors dated May 15, 2021. The current constitution of the Audit Committee is as follows:

Name of Director	Position in Committee	Designation
B. Shanti Sree	Chairperson	Independent Director
G. Rajender Reddy	Member	Independent Director
Pramod Kumar Kapoor	Member	Chairman and Independent Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations. The powers, roles, responsibilities and terms of reference of the Audit Committee are as follows:

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon, and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation for appointment, re-appointment, remuneration and terms of appointment of auditors of the Company and fixation of audit fee and payment of any other service fee;

3. Approval of payments to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management of the Company;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions; and
   g. Qualifications/modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly, 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, 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. Reviewing the financial statements, in particular, investments made by an unlisted subsidiary;

9. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

10. Granting omnibus approval to related party transactions and laying down criteria for granting such approval in accordance with the SEBI Listing Regulations and reviewing, at least on a quarterly basis, the details of the related party transactions entered into by the Company pursuant to the omnibus approvals granted;

11. Approval of any subsequent modification of transactions of the company with related parties;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") and/or the Accounting Standards;

12. Scrutiny of inter-corporate loans and investments;

13. Valuation of undertakings or assets of the Company, wherever it is necessary;

14. Evaluation of internal financial controls and risk management systems;

15. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

16. 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;

17. Discussion with internal auditors of any significant findings and follow up there on;

18. 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;

19. 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;

20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

21. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

22. Reviewing the functioning of the whistle blower mechanism;

23. Approval of appointment of CFO (*i.e.*, the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

24. Oversee the vigil mechanism established by the Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns;

25. Formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

26. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower; including existing loans/ advances/ investments/existing on the date of coming into force of this provision.

27. Consider and comment on rationale, cost – benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the listed entity and its shareholders.

28. Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of the Company or specified/provided under the Companies Act or by the SEBI Listing Regulations or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
- Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor; and shall be subject to review by the audit committee.
- Statement of deviations in terms of the SEBI Listing Regulations:

    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
    - annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(5) of the SEBI Listing Regulations.

2. **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was last re-constituted pursuant to a resolution of our Board of Directors dated May 15, 2021. The current constitution of the Nomination and Remuneration Committee is as follows:

Name of Director	Position in Committee	Designation
G. Rajender Reddy	Chairman	Independent Director
B. Shanti Sree	Member	Independent Director
Pramod Kumar Kapoor	Member	Chairman and Independent Director

The Company Secretary shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

i. Formulating and recommending to the Board for its approval and also to review from time to time, a nomination and remuneration policy or processes, as may be required pursuant to the provisions of the Companies Act.

ii. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

iii. Recommending to the Board, all remuneration, in whatever form, payable to senior management;

iv. Formulation of criteria for evaluation of performance of independent directors and the Board, and determining whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

v. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

    a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

vi. Devising a policy on Board diversity;

vii. Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance in accordance with the nomination and remuneration policy. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

viii. Analysing, monitoring and reviewing various human resource and compensation matters;

ix. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

x. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

xi. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

xii. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

1. the SEBI Insider Trading Regulations; or

2. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

xiii. Determine 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;

xiv. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

xv. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

3. **Stakeholders Relationship Committee**

The Stakeholders Relationship Committee was last re- constituted pursuant to a resolution of the Board of Directors dated May 15, 2021. The current constitution of the Stakeholders Relationship Committee is as follows:

Name of Director	**Position in Committee**	**Designation**
Pramod Kumar Kapoor	Chairman	Chairman and Independent Director
B. Shanti Sree	Member	Independent Director
G. Rajender Reddy	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders Relationship Committee are as follows.

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Considering and resolving grievances of investors, shareholders, debenture holders and other security holders of the Company, including complaints in respect of allotment of Equity Shares, related to transfer/transmission of shares including non-receipt of share certificates and review of cases for refusal, non-receipt of declared dividends, non-receipt of annual reports, balance sheets of the Company, issue of new/duplicate certificates, general meetings, etc. and assisting with quarterly reporting of such complaints;

- Reviewing of measures taken for effective exercise of voting rights by shareholders;

- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

- Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate certificates and new certificates on split/ consolidation/ renewal, compliance with all the requirements related to shares, debentures and other securities from time to time;

- Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

- Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and recommending measures for overall improvement in the quality of investor services;

- Considering various aspects of interests of shareholders, debenture holders and other security holders; and

- Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

4. **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was constituted pursuant to a resolution of the Board of Directors dated June 09, 2018. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in Committee	Designation
Rupesh Kumar Gupta	Chairman	Managing Director
Sailesh Gupta	Member	Whole-time Director
Pramod Kumar Kapoor	Member	Chairman and Independent Director

The Company Secretary of the Company shall act as the Secretary of the Corporate Social Responsibility Committee.

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act. The terms of reference of the Corporate Social Responsibility Committee are as follows:

a. To formulate and recommend to the Board, a Corporate Social Responsibility policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

b. To identify corporate social responsibility policy partners and programmes;

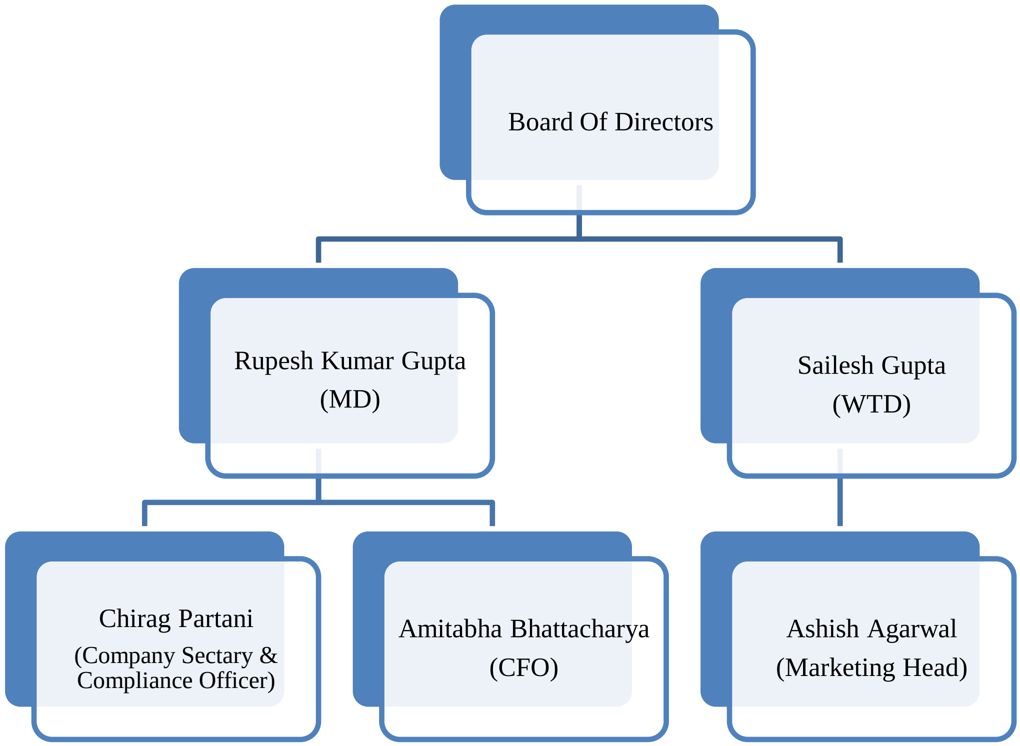
c. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company for corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

d. To monitor the Corporate Social Responsibility policy of the Company from time to time including delegation of responsibilities to various teams and supervise, monitor and review the timely implementation of corporate social responsibility programmes;

e. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time; and

f. To exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

ORGANIZATION STRUCTURE



OUR KEY MANAGERIAL PERSONNEL

Other than our Executive Directors, the following persons are our Key Managerial Personnel. All the Key Managerial Personnel are permanent employees of our Company. For details of the brief profile of our Executive Directors, see – *Our Management - Brief profiles of our Directors*" beginning on page 154. The brief profiles of our other Key Managerial Personnel are as set out below:

Amitabh Bhattacharya aged 46 years is the Chief Financial Officer of our Company. He is having over 14 years of experience in diverse industries including textiles, tyres and logistics. He holds bachelors' degree in commerce from University of Calcutta and master's degree in Computer Application from Indira Gandhi National Open University. He is responsible for accounting, capital allocation, financial reporting and banking decisions in our Company. He has been associated with our Company since June 21, 2007, and has been appointed as CFO w.e.f. October 6, 2017. In Financial year 2020-21, he was paid salary of ₹ 14.14 lakhs from our Company.

Chirag Partani, aged 29 years, is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. He holds a bachelor's degree in laws from Osmania University. He also holds a bachelor's degree in commerce from Osmania University, Hyderabad. He has professional experience of over 4 years in the field of secretarial work and corporate law compliances. He has previously worked with AARV Infratel Limited. He has been associated with our Company since October 6, 2017. He is currently responsible for the secretarial and legal compliances and matters in our Company. In Financial year 2020-21, he was paid salary of ₹ 6.10 lakhs from our Company.

Ashish Agarwal, aged 43 years, is the Head – Marketing of our Company. He has completed his master's in business administration from Osmania University, Hyderabad. He has more than 4 years of experience in the field of marketing. He has been associated with our Company since November 1, 2016. He is currently responsible for the execution of marketing strategies of our Company. In Financial year 2020-21, he was paid salary of ₹ 9.14 lakhs from our Company.

Shareholding of KMP

As on the date of this Red Herring Prospectus, none of our Key Managerial Personnel hold any Equity Shares, except as disclosed below:

Name of Key Managerial Personnel	Number of Equity Shares Held (Pre-Issue)	% of pre-Issue paid-up equity share capital
Amitabha Bhattacharya	50,000	0.29%
Chirag Partani	10,000	0.06%
Ashish Agarwal	5,000	0.03%

Status of Key Managerial Personnel

All our key managerial personnel are permanent employees of our Company.

Nature of family relationship

None of our Key Management Personnel are related to each other.

Arrangements and Understanding with Major Shareholders

None of our key managerial personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Bonus or Profit Sharing Plan for our Key Managerial Personnel

As on the date of this Red Herring Prospectus our Company does not have any performance linked bonus or profit sharing plan with any of our key managerial personnel.

Interest of Key Managerial Personnel

None of our Key Managerial Personnel of our Company have any interests in Our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. There is no contingent or deferred compensation accrued for the year payable to the key Managerial Personnel, even if the compensation is payable at a later date.

Further, our Key Managerial Personnel may be regarded as interested in the Equity Shares held by them, if any, (together with dividends and any other distributions in respect of such Equity Shares). For details, see "*Capital Structure*" beginning on page 64.

Except as disclosed in "*Restated Financial Statements*" beginning on page 177, no loans have been availed by our Key Managerial Personnel from our Company.

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Red Herring Prospectus.

Payment or Benefit to officers of our Company (non-salary related)

Except as disclosed in this Red Herring Prospectus and statutory payments made by our Company, no non-salary amount or benefit has been paid or given to any officer of our Company, including our Directors and our Key Managerial Personnel within the two years preceding the date of this Red Herring Prospectus or is intended to be paid or given.

Changes in our Key Managerial Personnel during the last three years.

The changes in our Key Management Personnel in the last three years are as follows**:**

Sr. No.	Name of KMP	Date of Change	Reason for change
1.	Isha Gupta	January 1, 2021	Resignation as a KMP
2.	Parul Gupta	January 1, 2021	Resignation as a KMP
3.	Rakesh Gupta	January 1, 2021	Resignation as a KMP
4.	Ashok Gupta	November 01, 2019	Resignation

OUR PROMOTERS AND PROMOTER GROUP

Rupesh Kumar Gupta and Sailesh Gupta are the Promoters of our Company as on the date of this Red Herring Prospectus.

Rupesh Kumar Gupta presently holds 41,93,847 Equity Shares, aggregating to 24.70% of the issued, subscribed and paid-up Equity Share capital of our Company. Sailesh Gupta presently holds 29,36,222 Equity Shares, aggregating to 17.30% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "*Capital Structure*" on page 64.

Details of our Promoters

	**Rupesh Kumar Gupta** aged 45 is one of our Promoters and the Managing Director of our Company. He is a citizen of India. He has been on our Board since June 21, 2007. He has been appointed as a Managing Director of our Company on and with effect from January 8, 2018. For a complete detail of Rupesh Kumar Gupta i.e. his educational qualifications, professional experience, other directorships etc. see "*Our Management*" on page 154 **Date of Birth:** October 2, 1976 **PAN No.:** ACAPG4228Q **Driving License No.:** DL0620240/19 **Aadhaar No.**: 7935 5085 8428. For details of other ventures of Rupesh Kumar Gupta refer "*Our Group Companies*" on page 173.
	**Sailesh Gupta** aged 40 is one of our Promoters and a Whole-Time Director of our Company. He is a citizen of India. He has been on our Board since January 9, 2010. He has been appointed as a Whole Time Director of our Company on and with effect from January 8, 2018. For a complete detail of Sailesh Gupta i.e. his educational qualifications, professional experience, other directorships, etc. see "*Our Management* on page 154. **Date of Birth :** October 5, 1981 **PAN No. :** AEJPG0808B **Driving License No.:** DLFAP009221722002 **Aadhaar No.:** 4586 2930 6940 For details of other ventures of Sailesh Gupta see, "*Our Group Companies*" on page 173.

We confirm that the PAN, bank account number and passport number of our Promoters will be submitted to BSE and NSE at the time of filling this Red Herring Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, see *"Capital Structure – Shareholding of our Promoters"* beginning on page 64 of this Red Herring Prospectus.

Change in control of our Company

There has not been any change in the control of our Company during the last five years preceding the date of this Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent (i) that they own and control our Company; (ii) of their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them or their relatives; (iii) of being Executive Directors, and Key Management Personnel of our Company and the remuneration and reimbursement of expenses payable by our Company to each of them; and (iv) that our Company has undertaken transactions with them, or their relatives or entities in which any of our Promoters hold shares. Except as mentioned in the sections titled "*Capital Structure*", "*Financial Indebtedness*", "*Our Management*" and "*Restated Financial Statements – Note 31 – Related Party Transactions and Disclosures*" on pages 64, 280, 154 and 177 respectively, our Promoters do not have any interest in our Company.

Our Promoters have no interest in any property acquired in the three years preceding the date of this Red Herring Prospectus or any property that is proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No sum has been paid or agreed to be paid to any of our Promoters, or to the firms or companies in which our e Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our promoters or by such firms or companies in connection with the promotion or formation of our Company.

Our Company has entered into rental agreement for our Registered Office with one of our Promoter, Rupesh Kumar Gupta, for a period of 24 months, from March 19, 2021, for monthly rent of ₹0.55 lakhs. Further, our Company has entered into rental agreement for our Unit I with one of our Promoter, Sailesh Gupta, for a period of 11 months, from February 2, 2022, for monthly rent of ₹0.50 lakhs.

Payment or benefits to Promoters and Promoter Group

Except for the interest as disclosed in '*Interest of our Promoters*' above, there has been no amount or benefit paid or given within the two years preceding the date of this Red Herring Prospectus or intended to be paid or given to our Promoter or any member of our Promoter Group.

Material guarantees given by our Promoters

Except as stated below, our Promoters, Rupesh Kumar Gupta and Sailesh Gupta have not given personal guarantees to third parties:

Our Company has availed loans and facilities of ₹10,195.34 lakhs from Canara Bank (the "Canara Bank Loan"). Our Promoters, Rupesh Kumar Gupta and Sailesh Gupta along with our members of our Promoter Group, Sunita Gupta, Rupesh Kumar Gupta, Isha Gupta, Parul Gupta and M/s. Ultra Pipes (the "Guarantors") have executed personal guarantees dated August 28, 2020 not exceeding ₹9,266.00 lakhs in favour of Canara Bank. Guarantors have provided an unconditional and irrevocable guarantee to secure repayment Canara Bank Loan which shall not exceed ₹9,266.00 lakhs, under the terms and conditions of Canara Bank Loan.

Disassociation by Promoters in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the last three years preceding the date of this Red Herring Prospectus.

Other Confirmations

- Our Promoters have not been categorized or are on the RBI List of wilful defaulters or fraudulent borrower.

- Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by

SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

- Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

- Our Promoters have not been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Promoter Group

In addition to the Promoters named above, the following individuals and entities form part of the Promoter Group:

A. Natural Persons forming part of the Promoters Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Rupesh Kumar Gupta	Rakesh Kumar Gupta	Father
	Sunita Gupta	Mother
	Parul Gupta	Spouse
	Sailesh Gupta	Brother
	Ansh Golas	Son
	Anushka Golas	Daughter
	Ram Nivas Gupta	Spouse’s Father
	Usha Gupta	Spouse’s Mother
	Sachin Gupta	Spouse’s Brother
	Vishal Gupta	Spouse’s Brother
	Rashmi Gupta	Spouse’s Sister

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Sailesh Gupta	Rakesh Kumar Gupta	Father
	Sunita Gupta	Mother
	Isha Gupta	Spouse
	Rupesh Kumar Gupta	Brother
	Lakshit Gupta	Son
	Anvesha Gupta	Daughter
	Yuvika Gupta	Daughter
	Prakash Gupta	Spouse`s Father
	Jyoti Gupta	Spouse`s Mother
	Varun Gupta	Spouse`s Brother
	Trisha Gupta	Spouse`s Sister

B. Entities forming part of the Promoters Group

Companies

- Ansh Commerce Private Limited
- Reo Solutions Private Limited
- HS Marbel Private Limited

Partnership firms

- M/s. Lakshit Tradelink (*Formerly, Hariom Scaffolding and Form Works*)
- M/s. Ultra Pipes

HUFs

- Rupesh Kumar HUF
- Shailesh Kumar HUF
- Rakesh Gupta HUF

OUR GROUP COMPANIES

Under the SEBI ICDR Regulations, the definition of 'group companies' includes such companies (other than the promoters and subsidiaries) with which the Company related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and such other companies as are considered material by the Board. Pursuant to a Board resolution dated September 9, 2021, our Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that: i) all companies with which the Company has entered into related party transactions as set out in the Restated Financial Statements; or such other companies as considered material by the Board are identified as Group Companies.

Accordingly, our Board has identified following entities as our Group Companies, and other than these entities, there are no companies which are considered material by the Board to be identified as group companies. Set forth below are details of our Group Companies as on the date of this Red Herring Prospectus.

I. Details of our Group Companies

The details of our Group Companies are provided below:

A. Ansh Commerce Private Limited ("ACPL")

Corporate Information

ACPL is a private company and was incorporated on April 30, 2010 under the Companies Act, 1956. The Corporate Identification Number of ACPL is U74900TG2010PTC068195. Registered Office of ACPL is located at 19, Jade Arcade, Paradise Circle, MG Road, Secunderabad, Telangana – 500 003.

Nature of activities

ACPL is authorized to inter alia engage in the business of consultancy and advisory services in various fields.

Financial Information

In accordance with SEBI ICDR Regulations, the financial information derived from the audited financial statements of ACPL for the last three financial years are, available at the https://www.hariompipes.com/

B. Reo Solutions Private Limited ("RSPL")

Corporate Information:

RSPL is a private company and was incorporated on June 22, 2007 under the Companies Act, 1956. The Corporate Identification Number of the Company is U72200TG2007PTC054577. Registered Office of RSPL is located at 15-8-511/1/2, Feelkhana, Hyderabad Tamil Nadu – 500 012

Nature of activities

RSPL is authorized to inter alia engage in the business of managing computer training centres, data processing centres, call centres, etc. RSPL is also authorized to inter alia engage in the business of development of computer software, maintenance of computer and other allied activities.

Financial Information:

In accordance with SEBI ICDR Regulations the financial information derived from the audited financial statements of RSPL for the last three financial years are, available at the https://www.hariompipes.com/

II. Nature and Extent of Interest of our Group Companies

a) *In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

b) Related Business Transactions within our Group Companies and significance on the financial performance of our Company.

Except as disclosed in the section entitled "*Restated Financial Statements – Note 31 – Related Party Transactions and Disclosures*" on page 177, our Group Companies do not have any business interest in our Company.

c) In the properties acquired by our Company in the past three years before filing the Red Herring Prospectus with SEBI or proposed to be acquired

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of the Red Herring Prospectus or proposed to be acquired by our Company.

d) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

e) Common Pursuits amongst the Group Companies and our Company

There are no common pursuits between our Group Companies and our Company.

f) ***Business Interest of our Group Companies***

Except for certain business relationships that our Company has entered into with our Group Companies in their ordinary course of business, our Group Companies do not have any business interest in our Company. For details, please see the section entitled "*Restated Financial Statements – Note 31 –Related Party Transactions and Disclosures*" on page 177.

g) Litigation

Our Group Companies are not party to any pending litigation which has a material impact on our Company.

h) Beneficiaries of our Group Companies

The beneficiaries of our Group Company ACPL are Mr. Rakesh Kumar Gupta and Sunita Gupta, Further, The beneficiaries of our Group Company, RSPL are Mr. Rakesh Kumar Gupta and Mr. Rupesh Kumar Gupta.

i) Confirmations

- None of our Group Companies are listed on any stock exchange in India or abroad.
- None of our Group Companies have made any public or rights issue of securities in the preceding three years.

DIVIDEND POLICY

As on the date of this Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors including but not limited to our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to applicable laws and regulations including taxation laws, economic conditions, prevalent market practices, and technological changes.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 280. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The details of dividend for the last three Fiscals and from April 1, 2021, till date of this Red Herring Prospectus are set out in the following table:

Equity Shares

(*₹ in lakhs*)

Particulars	**For the period ended**			
	From April 1, 2021 till this Red Herring Prospectus	**For the financial year ended March 31, 2021**	**For the financial year ended March 31, 2020**	**For the financial year ended March 31, 2019**
Equity Share Capital	1,697.62	1,696.12	1,323.34	1,323.34
Face value per share (in ₹)	10.00	10.00	10.00	10.00
Amount of Dividend (in ₹ lakhs)*	Nil	Nil	Nil	63.08
Dividend per share (in ₹)	Nil	Nil	Nil	0.60
Rate of dividend (%)	Nil	Nil	Nil	6%
Corporate Dividend Tax (%)	Nil	Nil	Nil	16.32
Mode of payment of dividend	NA	NA	NA	Cash

***Excluding dividend distribution tax*

Preference Shares

a. 3% Series A Redeemable Non-cumulative Preference shares ("**3% Preference Shares**")

Our Company has redeemed 29,06,455 3% Preference Shares during the Financial year 2019-20. Thereafter, during Financial year 2020-21, 29,50,000 3% Preference Shares were converted into Equity Shares. For details, see "Capital Structure" on page 64.

Particulars	**From April 1, 2021 till the date of this Red Herring Prospectus**	**For the financial year ended March 31, 2021**	**For the financial year ended March 31, 2020**	**For the financial year ended March 31, 2019**
3% Preference Share Capital (₹ in lakhs)	Nil	Nil	295.00	285.40

Particulars	From April 1, 2021 till the date of this Red Herring Prospectus	For the financial year ended March 31, 2021	For the financial year ended March 31, 2020	For the financial year ended March 31, 2019
Face value of 3% Preference Share (in ₹ per Preference Share)	Nil	Nil	10.00	10.00
Amount of dividend (in ₹ lakhs)*	Nil	Nil	Nil	Nil
Dividend per 3% Preference Share (in ₹)	Nil	Nil	Nil	Nil
Rate of dividend (%)	Nil	Nil	Nil	3%
Corporate Dividend Tax (%)	Nil	Nil	Nil	Nil
Mode of payment of dividend	NA	NA	NA	NA

**Yash Pigment LLP who was holding 3% Series A Redeemable Non-cumulative Preference shares have waived off dividend for Financial Year 2018-19 vide its letter dated June 5, 2019..*

b. 0% Series A Redeemable Non Cumulative Preference Shares

Our Company has not declared or paid any dividend on 0% Series A Redeemable Non Cumulative Preference Shares during Financial year 2020-21, 2019-20 and 2018-19 and from April 1, 2021 till the date of this Red Herring Prospectus.

c. 0% Series B Compulsory Convertible Non Cumulative Preference Shares

Our Company has not declared or paid any dividend on 0% Series B Compulsory Convertible Non Cumulative Preference Shares during Financial year 2020-21, 2019-20 and 2018-19 and from April 1, 2021 till the date of this Red Herring Prospectus. Further, our Company has converted all 0% Series B Compulsory Convertible Non Cumulative Preference Shares during the Financials year 2020-21. For details, see "*Capital Structure*" on page 64.

Dividends that are announced in relation to a particular financial year are paid in the subsequent financial year.

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, se– "*Risk Factors - Our Company may not be able to pay dividends in the future"* on beginning on page 22.

SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

To,
The Board of Directors,
Hariom Pipe Industries Limited
(Formerly Hariom Concast & Steels Private Limited)
Plot No 3-4-174/12/2, 1st Floor
Samarpan Lane beside Spencer's Piller No.125
Attapur, Hyderabad, Telangana-500048

Independent Auditor's Examination Report on Restated Ind AS Financial Information as at and for the period ended 30th September, 2021 and as at and for the years ended 31st March, 2021, 31st March, 2020 and 31st March, 2019 in connection with the Public Offering of Hari Om Pipe Industries Limited (Formerly Hariom Concast & Steels Private Limited)

Dear Sirs,

1) We have examined the attached Restated Ind AS Financial Information of Hariom Pipe Industries Limited (Formerly known as Hariom Concast & Steels Private Limited, "the "Company") which comprise of the Restated Ind AS summary statement of assets and liabilities as at 30th September 2021, 31st March, 2021, 31st March, 2020 and 31st March, 2019, the Restated Ind AS summary statements of profit and loss (including other comprehensive income), the Restated Ind AS summary statement of cash flows and the Restated Ind AS summary statement of changes in equity for the period ended 30th September, 2021, and for the years ended 31st March, 2021, 31st March, 2020 and 31st March, 2019, read together with summary statement of significant accounting policies, annexures and notes thereto and other Restated Ind AS financial Statements described in paragraph 6 below (collectively, together with the notes and annexures there to, referred to as the "Restated Ind AS Financial Statements"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offering (the "IPO").The Restated Ind AS Financial Statements have been approved by the Board of Directors of the Company in its meeting held on 1st February 2022 for the purpose of inclusion in the Red Herring Prospectus/ Prospectus (hereinafter referred to as "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offering (the "IPO") comprising of fresh issue of equity shares of face value of Rs. 10 each and prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Companies Act") as amended;

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2) The company's board of directors is responsible for the preparation of the Restated Ind AS Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, and the Registrar of Companies, Telangana, in connection with the proposed IPO. The Restated Ind AS Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1(b) to the Restated Ind AS Financial Information. The responsibility of the board of directors of the company includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Ind AS Financial Information. The board of directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3) We have examined these Restated Ind AS Financial Information taking into consideration:

   a) Terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated 17th December, 2021 in connection with the proposed public offering of the equity shares by the Company;

b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI as amended from time to time.

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Ind AS Financial Statements; and

d) The requirements of Section 26 of the Companies 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 proposed IPO.

4) These Restated Ind AS Financial Statements have been compiled by the management from :

Audited Special Purpose Ind AS Financial Statements of the Company for the period ended 30th September, 2021 and Audited Ind AS Financial Statements of the Company for each of the years ended 31st March 2021, 31st March 2020 and 31st March 2019, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules as amended from time to time and other accounting principles generally accepted in India which have been approved by the Board at their meetings held on 01st February, 2022, 28th August 2021, 14th December, 2020 and 10th June 2019 respectively.

5) For the purpose of examination, we have relied on:

Auditors' report issued by us dated 24th January, 2022 on Audited Special Purpose Ind AS Financial Statements of the Company as at and for the period ended September 30th, 2021 and Auditors' report issued by us dated 28th August 2021 on the Audited Ind AS Financial Statements of the Company as at and for the year ended 31st March, 2021, and by Rakesh S Jain & Associates for the years ended 31st March, 2020 and 31st March, 2019respectively as referred in Paragraph 4 above.

6) The audit report on the Special Purpose Ind AS Financial Statements and the Ind AS Financial Statements issued by us is unmodified.

7) Based on our examination and according to the information and explanations given to us, we report that the Restated Ind AS Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period ended 30th September, 2021 and in each of the financial years ended 31st March, 2021, 31st March, 2020 and 31st March, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended 30th September, 2021;

b) does not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Companies Act, ICDR Regulations and the Guidance Note.

8) The Restated Ind AS Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on audited Special Purpose Ind AS Financial Statements and the Ind AS Financial Statements as mentioned in paragraph 4 above.

9) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10) 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.

11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12) Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filed with the SEBI, the National Stock Exchange of India Limited, BSE Limited and the ROC in connection with the proposed IPO. Our report should not be used, referred to or distributed to any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without or prior consent in writing.

For Rakesh S Jain & Associates
Chartered Accountants
FRN: 010129S

Pankaj Chandak
(Partner)
Membership No. 229355
UDIN: 22229355AAXHQS7250
Place: Hyderabad
Date: 01/02/2022

For R Kabra & Co. LLP
Chartered Accountants
FRN: 104502W/W100721

Ram Swaroop Gajadhar Verma
(Partner)
Membership No. 038913
UDIN: 22038913AAXHUO4941
Place: Mumbai
Date: 01/02/2022

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564
Restated Ind AS Summary Statement of Assets and Liabilities

(Figures in INR Lakhs.)

Particulars	Note No.	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
ASSETS					
Non-current assets					
(a) Property, plant and equipment	2(a)	5,677.81	5,889.62	4,949.59	4,281.80
(b) Capital work-in-progress	2(b)	993.02	833.25	12.59	-
(c) Financial assets					
(i)Other financial assets	3	49.37	49.06	46.39	2.39
(d) Other non-current assets	4	39.24	35.86	17.40	23.00
Total Non-Current Assets		**6,759.44**	**6,807.80**	**5,025.97**	**4,307.19**
Current assets					
(a) Inventories	5	10,319.29	8,008.00	5,953.49	3,901.19
(b) Financial assets					
(i) Trade receivables	6	2,257.46	1,962.91	2,277.60	1,048.58
(ii) Cash and cash equivalents	7(a)	5.41	71.75	166.82	397.99
(iii) Bank balances other than (ii) above	7(b)	28.80	16.24	-	-
(iv) Other financial assets	8	6.56	5.42	1.72	15.79
(c) Other current assets	9	505.01	501.91	542.11	664.37
Total Current Assets		**13,122.51**	**10,566.23**	**8,941.75**	**6,027.92**
Total Assets		**19,881.96**	**17,374.03**	**13,967.72**	**10,335.11**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	10	1,697.62	1,696.12	1,323.34	1,323.34
(b) Other equity	11	6,674.55	5,382.82	3,506.55	2,285.69
Total Equity		**8,372.17**	**7,078.94**	**4,829.89**	**3,609.03**
LIABILITIES					
Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	12	2,843.96	3,394.40	2,717.15	3,163.15
(b) Provisions	13	28.62	20.58	15.88	10.82
(c) Deferred tax liabilities (Net)	14	337.74	358.45	222.80	95.72
Total Non-Current Liabilities		**3,210.32**	**3,773.44**	**2,955.83**	**3,269.69**
Current liabilities					

Particulars	Note No.	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Financial liabilities					
(i) Borrowings	15	5,987.53	4,623.08	4,099.43	2,418.90
(ii) Trade payables	16				
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,003.56	429.93	1,492.72	770.78
(iii) Other financials liabilities	17	599.01	968.05	262.36	96.35
(b) Other current liabilities	18	314.75	265.81	172.75	38.64
(c) Provisions	19	1.94	0.19	2.11	9.86
(d) Current tax liabilities (Net)	20	392.68	234.59	152.62	121.85
Total Current Liabilities		**8,299.48**	**6,521.65**	**6,182.00**	**3,456.38**
Total Equity and Liabilities		**19,881.96**	**17,374.03**	**13,967.72**	**10,335.11**

Significant accounting policies and notes on accounts	1 to 42		
As per our report of even date annexed hereto.	On behalf of the Board		
FOR RAKESH S JAIN & ASSOCIATES	**HARIOM PIPE INDUSTRIES LIMITED**		
Chartered Accountants	**(Formerly Hariom Concast & Steels (Pvt.) Ltd.)**		
Firm Registration No: 010129S			
Pankaj Chandak	Rupesh Kumar Gupta		Sailesh Gupta
(Partner)	**(Managing Director)**		**(Whole Time Director)**
Membership No: 229355	DIN 00540787		DIN 00540862
UDIN : 22229355AAXHQS7250			
Place: Hyderabad			
Date : 01/02/2022			
FOR R KABRA & CO. LLP			
Chartered Accountants			
Firm Registration No: 104502W/W100721			
Ram Swaroop Gajadhar Verma	Amitabha Bhattacharya		Chirag Partani
(Partner)	**Chief Financial Officer**		**Company Secretary**
Membership No: 038913			Membership No: A51269
UDIN : 22038913AAXHUO4941			
Place : Mumbai	Place: Hyderabad		
Date : 01/02/2022	Date : 01/02/2022		

HARIOM PIPE INDUSTRIES LIMITED

(Formerly Hariom Concast & Steels (Pvt.) Ltd.)

CIN:U27100TG2007PLC054564

Restated Ind AS Summary Statement of Profit and Loss

(Figures in INR Lakhs.)

	Particulars	Note No.	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
I	Revenue from operations	21	20,087.10	25,413.89	16,077.69	13,359.61
II	Other income	22	28.90	68.42	37.36	31.95
III	**Total Income (l+Il)**		**20,116.00**	**25,482.31**	**16,115.05**	**13,391.56**
IV	**EXPENSES**					
	Cost of materials consumed	23	15,054.41	18,031.70	10,953.19	8,409.38
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(1,522.91)	(745.78)	(1,887.28)	5.88
	Employee benefits expense	25	989.03	950.55	829.62	581.07
	Finance costs	26	417.11	751.21	737.07	354.63
	Depreciation and amortization expenses	2	398.30	625.77	516.37	215.43
	Power and fuel		2,724.83	3,381.03	3,654.90	2,518.61
	Other expenses	27	284.61	368.08	178.71	141.77
	Total expenses (lV)		**18,345.38**	**23,362.57**	**14,982.58**	**12,226.77**
V	**Profit before tax (III-IV)**		**1,770.62**	**2,119.74**	**1,132.47**	**1,164.79**
VI	**Tax expense:**	28				
	(1) Current tax		469.63	447.52	206.09	255.01
	(2) Deferred tax		(21.01)	138.10	124.62	74.84
	(3) Tax related to earlier tax period		35.10	20.92	10.93	32.95
	Total Tax Expense (VI)		**483.72**	**606.54**	**341.64**	**362.79**
VII	**Profit for the period from continuing operations (V-Vl)**		**1,286.90**	**1,513.20**	**790.83**	**802.00**
VIII	Profit/(loss) from discontinued operations		-	-	-	-
IX	Tax expenses of discontinued operations		-	-	-	-
X	**Profit from Discontinued operations (after tax) (VIII-IX)**		-	-	-	-
XI	**Profit for the period (VII+X)**		**1,286.90**	**1,513.20**	**790.83**	**802.00**
XII	**Other Comprehensive Income**					
	A. (i) Items that will not be reclassified to profit or loss					
	(a) Remeasurements of post employment benefit obligation		(1.23)	(0.01)	(8.82)	3.52

	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.31	(2.45)	2.45	(1.03)
	B. (i) Items that will be reclassified to profit or loss					
	(ii) lncome tax relating to items that will be reclassified to profit or loss					
XIII	**Total Comprehensive Income for the period (XI+XII)**		**1,287.82**	**1,515.67**	**797.20**	**799.51**
XIV	**Earnings per equity share (for continuing operation):**	29				
	(1) Basic		15.12	10.64	5.98	7.34
	(2) Diluted		15.12	9.80	5.93	7.34

Significant accounting policies and notes on accounts 1 to 42

As per our report of even date annexed hereto.
FOR RAKESH S JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No: 010129S

Pankaj Chandak

(Partner)

Membership No: 229355
UDIN : 22229355AAXHQS7250
Place: Hyderabad
Date : 01/02/2022

On behalf of the Board
HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)

Rupesh Kumar Gupta
(Managing Director)
DIN 00540787

Sailesh Gupta
(Whole Time Director)
DIN 00540862

FOR R KABRA & CO. LLP

Chartered Accountants
Firm Registration No: 104502W/W100721

Ram Swaroop Gajadhar Verma
(Partner)
Membership No: 038913
UDIN : 22038913AAXHUO4941
Place : Mumbai
Date : 01/02/2022

Amitabha Bhattacharya
Chief Financial Officer

Chirag Partani
Company Secretary
Membership No: A51269

Place: Hyderabad
Date : 01/02/2022

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)
CIN:U27100TG2007PLC054564
Restated Ind AS Summary Statements of Cash Flows

(Figures in INR Lakhs.)

	Particulars		For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**					
	Net Profit/(Loss) before tax for the period/year		1,770.62	2,119.74	1,132.47	1,164.79
	Adjustments for:					
		Interest income	(28.76)	(42.23)	(36.83)	(31.91)
		Depreciation and amortization expenses	398.30	625.77	516.37	215.43
		Finance Charges other than interest on CFI	417.11	713.67	698.80	332.52
		Interest on Compound Financials Instruments	-	37.54	38.27	22.11
		Gain on settlement of compound financial instrument	-	(26.14)	-	-
	Operating profit before working capital changes		**2,557.27**	**3,428.35**	**2,349.08**	**1,702.94**
	Movement in working capital:					
		(Increase)/Decrease Trade & other receivables	(314.17)	316.49	(1,087.10)	(503.23)
		(Increase)/Decrease Inventories	(2,311.28)	(2,054.51)	(2,052.30)	(690.09)
		Increase/(Decrease) Trade payables & other liabilities	264.55	(261.25)	1,028.19	249.82
		Cash Generated From Operations	**196.37**	**1,429.08**	**237.87**	**759.43**
		Less: Income taxes paid	(346.64)	(386.47)	(186.24)	(437.53)
		Net cash flow From operating activities (A)	**(150.26)**	**1,042.61**	**51.62**	**321.90**
B	**CASH FLOW FROM INVESTING ACTIVITIES**					
		Purchase of Property, plant & equipment	(186.49)	(1,553.21)	(1,184.15)	(3,219.19)
		(Increase) in Capital-work-in prgress	(159.77)	(833.25)	(12.59)	-
		Increase/ (decrease) in fixed deposits	1.00	(2.67)	(44.00)	(1.97)
		Interest received	26.89	42.23	36.83	31.91
		Net cash flow used in investing activities - (B)	**(318.37)**	**(2,346.91)**	**(1,203.90)**	**(3,189.25)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**					

	Particulars	For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Finance Charges other than interest on CFI	(413.77)	(730.81)	(698.80)	(332.52)
	Dividends paid	-	-	(79.40)	-
	Securities premium on issue of shares	3.90	48.10	-	466.67
	Securities premium on conversion of Preference shares into Equity Shares	-	646.39	-	-
	Securities premium on conversion of inter corporate deposits into Equity Shares	-	274.73	-	-
	Issue of Equity Shares	1.50	372.78	-	233.33
	Issue of Preference Shares	-	100.00	509.60	285.40
	Non cash item- adjustment on conversion of preference shares in to Equity Shares	-	(895.00)	-	-
	Non cash item- adjustment on conversion of inter corporate deposits in to Equity Shares	-	(380.40)	-	-
	Decrease in long term borrowings - Term loans from banks and others	(548.49)	(464.16)	(547.20)	(95.04)
	Increase in long term borrowings - Term loans from banks and others	-	2,255.00	533.16	2,392.38
	Proceed/(Repayment) in short term borrowings - working capital loans	1,304.65	(54.40)	1,371.27	127.21
	Repayment of inter corporate deposits	-	(50.00)	-	-
	Other long-term liabilities	54.50	87.00	(167.51)	158.00
	Net cash flow from financing activities (C)	**402.29**	**1,209.22**	**921.12**	**3,235.44**
	Net increase/ (decrease) in Cash & cash equivalents (A+B+C)	**(66.34)**	**(95.07)**	**(231.16)**	**368.09**
	Opening Balances of Cash and cash equivalents	**71.75**	**166.82**	**397.99**	**29.90**
	Closing Balances of Cash and cash equivalents	**5.41**	**71.75**	**166.82**	**397.99**

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in the IND AS "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards), Rules 2015

2 Components of cash and cash equivalents

Cash on Hand	3.84	1.26	10.70	1.35
Balance with Banks:				
On Current Accounts	1.57	70.49	3.80	396.64
On Fixed Deposits	-	-	152.33	-
Total cash and cash equivalents (refer note 7(a))	**5.41**	**71.75**	**166.82**	**397.99**

3 Previous year figures have been regrouped/reclassified wherever considered necessary

As per our report of even date annexed hereto.
FOR RAKESH S JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No: 010129S

Pankaj Chandak
(Partner)
Membership No: 229355
UDIN :
Place: Hyderabad
Date : 01/02/2022

FOR R KABRA & CO. LLP
Chartered Accountants
Firm Registration No: 104502W/W100721

Ram Swaroop Gajadhar Verma
(Partner)
Membership No: 038913
UDIN :
Place : Mumbai
Date : 01/02/2022

On behalf of the Board
HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)

Rupesh Kumar Gupta
(Managing Director)
DIN 00540787

Sailesh Gupta
(Whole Time Director)
DIN 00540862

Amitabha Bhattacharya
Chief Financial Officer

Chirag Partani
Company Secretary
Membership No: A51269

Place: Hyderabad
Date : 01/02/2022

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)
CIN:U27100TG2007PLC054564
Restated Ind AS Summary Statement of Changes in Equity

(Figures in INR Lakhs.)

A. Equity Share Capital			**No. of Shares**	**Amount**
(1) For the six month period ended 30th September 2021				
Opening balance as at 1st April, 2021			1,69,61,204	1,696.12
Changes in Equity Share capital due to prior period errors			-	-
Restated balance as at 1st April, 2021			**1,69,61,204**	**1,696.12**
Changes in Equity share capital during the current period			15,000	1.50
Balance as at 30th September, 2021			**1,69,76,204**	**1,697.62**
(2) For the year ended 31st March 2021				
Opening balance as at 1st April, 2020			1,32,33,430	1,323.34
Changes in Equity Share capital due to prior period errors			-	-
Restated balance as at 1st April, 2020			**1,32,33,430**	**1,323.34**
Changes in Equity Share capital during the current year			37,27,774	372.78
Balance as at 31st March, 2021			**1,69,61,204**	**1,696.12**
(3) For the year ended 31st March 2020				
Opening balance as at 1st April, 2019			1,32,33,430	1,323.34
Changes in Equity Share capital due to prior period errors			-	-
Restated balance as at 1st April, 2019			**1,32,33,430**	**1,323.34**
Changes in Equity Share capital during the current year			-	-
Balance as at 31st March, 2020			**1,32,33,430**	**1,323.34**
(4) For the year ended 31st March 2019				
Opening balance as at 1st April, 2018			1,09,00,092	1,090.01
Changes in Equity Share capital due to prior period errors			-	-
Restated balance as at 1st April, 2018			**1,09,00,092**	**1,090.01**
Changes in Equity Share capital during the current year			23,33,338	233.33
Balance as at 31st March, 2019			**1,32,33,430**	**1,323.34**

B. Other Equity

(₹ in lakhs)

Particulars	Equity component of compound financial instruments	Reserves and surplus		Total
		Securities premium	Surplus in Statement of profit and loss	
Balance as at 1st April 2018	**-**	**19.29**	**839.46**	**858.76**
Add/(less):				
(a) Total Comprehensive Income for the year			799.51	799.51
(d) Premium on issue of shares	-	466.67		466.67
Restated balance as at 31st March 2019	**-**	**485.96**	**1,638.97**	**2,124.93**
Add/(less):Adjustments for first time adoption of IND AS:				
(a) Recognition of equity component of 3% Series A Redeemable Non-Cumulative Preference Shares	105.55			105.55
(b) Recognition of equity component of 0 % Series A Redeemable Non-Cumulative Preference Shares	94.64	-	-	94.64
(c) Recognition of income/expenses on implementation of IND AS	-	-	(39.43)	(39.43)
	200.19	-	(39.43)	160.76
Restated balance as at 31st March 2019	**200.19**	**485.96**	**1,599.54**	**2,285.69**
Balance as at 1st April 2019	**200.19**	**485.96**	**1,599.54**	**2,285.69**
Add/(less):				
(a) Total Comprehensive Income for the year	-	-	797.20	797.20
(b) Equity component of 3% Series A Redeemable Non-Cumulative Preference Shares	3.07	-	-	3.07
(c) Equity component of 0% Series B Compulsorily Convertible Non- Cumulative Preference Shares	500.00	-	-	500.00
	503.07	**-**	**797.20**	**1,300.26**
Less: Dividends (including dividend distribution tax) paid			79.40	79.40
Restated balance as at 31st March 2020	**703.26**	**485.96**	**2,317.34**	**3,506.55**
Balance as at 1st April 2020	**703.26**	**485.96**	**2,317.34**	**3,506.55**
Additions during the year:				
(a) Total Comprehensive Income for the year	-	-	1,515.67	1,515.67
(b) Equity component of 0% Series B Compulsorily Convertible Non- Cumulative Preference Shares	100.00	-	-	100.00
(c) Premium on issue of shares	-	48.10	-	48.10
(d) Premium on conversion of convertible preference shares into Equity Shares	-	646.39	-	646.39
(e) Premium on conversion of inter corporate deposits into Equity Shares	-	274.73	-	274.73
	100.00	969.22	1,515.67	2,584.89
Less: Adjustments on conversion of Preference shares into Equity shares				
(a) 3% Series A Redeemable Non-Cumulative Preference Shares	108.62	-	-	108.62
(b) 0% Series B Compulsorily Convertible Non- Cumulative Preference Shares	600.00	-	-	600.00
Restated balance as at 31st March 2021	**94.64**	**1,455.18**	**3,833.00**	**5,382.82**

For the interim period reported **(Figures in INR Lakhs.)**

Particulars	Equity component of compound financial instruments	Reserves and surplus		Total
		Securities premium	Surplus in Statement of profit and loss	
Balance as at 1st April 2021	**94.64**	**1,455.18**	**3,833.00**	**5,382.82**
Additions during the year:				
(a) Total Comprehensive income for the year	-	-	1,287.82	1,287.82
(b) Premium on issue of shares	-	3.90		3.90
	-	**3.90**	**1,287.82**	**1,291.72**
Restated balance as at 30th September 2021	**94.64**	**1,459.08**	**5,120.83**	**6,674.55**

Description of the purposes of each reserves within equity
(Refer note no. 11.2.1 and 11.2.2)

As per our report of even date annexed hereto.
FOR RAKESH S JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No: 010129S

On behalf of the Board
HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)

Pankaj Chandak
(Partner)
Membership No: 229355
UDIN : 22229355AAXHQS7250
Place: Hyderabad
Date : 01/02/2022

Rupesh Kumar Gupta
(Managing Director)
DIN 00540787

Sailesh Gupta
(Whole Time Director)
DIN 00540862

FOR R KABRA & CO. LLP
Chartered Accountants
Firm Registration No: 104502W/W100721

Ram Swaroop Gajadhar Verma
(Partner)
Membership No: 038913
UDIN : 22038913AAXHUO4941
Place : Mumbai
Date : 01/02/2022

Amitabha Bhattacharya
Chief Financial Officer

Chirag Partani
Company Secretary
Membership No: A51269

Place: Hyderabad
Date : 01/02/2022

Notes to Restated Ind AS Financial Statements for the period ended 30th September, 2021

COMPANY BACKGROUND:

Hariom Pipe Industries Limited, ("the Company") is a public limited Company incorporated in India under the Companies Act 1956 (now replaced with the Companies Act 2013) on 21st June' 2007 with its registered office situated in Hyderabad, India. The name of the Company was changed from Hariom Concast And Steels (Private) Limited to Hariom Pipe Industries (Private) Limited on 27th December 2017.Subsequently the Company was converted into a Public Limited Company and renamed as Hariom Pipe Industries Limited on 17th January 2018. The Company has grown consistently, securing a dominant position in South India as a premium manufacturer of iron and steel products, catering to diverse industrial needs across multiple sectors. The Company has two manufacturing units, one each situated at a) Works 3-45/1,Sy.No.62 & 63, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana, and b) Survey number 98, D Hirehal Village, Ananthapur, Andhra Pradesh.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance:

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs in respect of sections 133 of the Companies Act 2013 ("the Act"). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These Restated Ind AS Financials Statements have been approved for issue by the board of directors at their meeting held on 01st February, 2022.

(b) Basis of Preparation:

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost. Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

> Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
>
> Level 2 - inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
>
> Level 3 - inputs are unobservable inputs for the valuation of assets/liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

(c) Presentation of financial statements

The Ind AS Balance Sheet and the Ind AS Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

(d) Use of estimates and critical accounting judgments:

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Deferred income tax assets and liabilities:

Significant management judgment 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.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Income Taxes:

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charges in the Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss."

Useful lives of Property, plant and equipment ('PPE'):

The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans:

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. 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.

Fair value measurement of Compound Financial Instruments:

The Company recognizes separately the components of a financial instrument that (a) creates a financial liability of the entity and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity. From the perspective of the Company, such an instrument comprises two components: a financial liability (a contractual arrangement to deliver cash or another financial asset) and an equity instrument (a call option granting the holder the right, for a specified period of time, to convert it into a fixed number of ordinary shares of the entity).

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company had closed all its manufacturing plants and offices with effect from March 24, 2020 following countrywide lockdown due to Covid-19. Subsequent to the year end, the Company had resumed its operations at its Mahbubnagar plant with effect from April 22, 2020. All the remaining plants and office of the Company have resumed operations gradually over a period of time adhering to the safety norms prescribed by the Government of India.

The Company has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables. Based on current estimates, the Company expects the carrying amount of these assets will be recovered. Further, the management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long-term. The Company will continue to closely monitor any material changes to future economic conditions.

(e) Current and non-current classification and operating cycle:

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within twelve months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

(f) Functional and presentation currency:

The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(g) Revenue recognition:

The revenue is recognized once the entity satisfied that the performance obligation & control are transferred to the customers.

(i) Sale of goods:

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods in accordance with Ind AS 115 "Revenue from Contracts with Customers". To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

(ii) Other income

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

B. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

(h) Foreign currency translation:

(i) The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

(i) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

(j) Exceptional items:

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

(k) Property, plant and equipment and capital work-in- progress:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, net of tax/duty credits availed, if any, and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest in case of qualifying assets.

Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, net of tax/duty credits availed, if any, related incidental expenses and attributable interest, in case of qualifying assets.

Depreciation methods, estimated useful lives and residual value:

Depreciation is systematically allocated over the useful life of the asset as specified in Schedule II of Companies Act, 2013. Depreciation on property, plant and equipment added/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal. Freehold land is not depreciated.

(l) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

B. the company has intention to complete the intangible asset and use or sell it;

C. the company has ability to use or sell the intangible asset;

D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

F. the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “intangible assets under development”. Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(m) Impairment of assets:

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(n)Employee benefits:

(i) Short-term obligations:

Liabilities for wages and salaries, including non- monetary benefits that are expected to be settled wholly within 12 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 the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations:

Defined contribution plans: The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by fair value of plan assets (being the funded portion).

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

(o)Lease

The Company assesses whether a contract contains a lease, at inception of a contract. 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:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

(p) Financial instruments – initial recognition, subsequent measurement and impairment:

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. Investments and other financial assets

(i) Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt instruments are provided as under:

Debt instruments:

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses are measured through a loss allowance at an amount equal to the following:

(a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or

(b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets:

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities:

<u>(a) Classification:</u>

The Company classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

<u>(b) Measurement:</u>

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost:

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

<u>(c) De-recognition of financial liability:</u>

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(d) Compound financial instruments:

Compound financial instruments issued by the company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by separately recognising the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

(q) Offsetting financial instruments:

Financial assets and liabilities are offset, and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(r) Inventories:

Raw materials, consumable stores, stores and spares, and finished goods inventories are valued at the lower of cost (using weighted average method) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, net of recoveries, if any, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Raw materials and stores are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

(s) Cash and cash equivalents:

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(t) Securities premium account:

Securities premium includes the difference between the face value of the shares and the consideration received in respect of shares issued.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account, if and when such expenses are incurred, and as per the decision of the management.

(u) Borrowing costs:

General and specific borrowing costs (includes interest expense calculated using the effective interest method, other costs and expenses in relation to the borrowing) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which these are incurred.

(v) Cash Flow Statement:

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

(w) Income tax:

The income tax expense for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In such case, the tax is also recognised in Other Comprehensive Income.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

(x) Provisions:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(y) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(z) Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been adjusted prospectively, if appropriate.

(za) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non- cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(zb) <u>Recent accounting developments</u>

(a) The Ministry of Corporate Affairs (MCA) has not notified any new Ind AS or amendment to existing Ind AS which would be applicable to Company from 1 April 2021.

(b) MCA has notified certain additional amendments in Schedule III, Division II relating to disclosure requirements in the financial statements, effective from 1st April 2021. These being in the nature of disclosures, there will be no impact in accounting.

(c) The Code on Wages, 2019 and the Code on Social Security, 2020 have been enacted, however, the effective date from which changes are applicable are yet to be notified. The impact of the same would be given in the financial statements in the period in which the Codes become effective and the Rules/Schemes thereunder are notified

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564

Note no. 2(a):
Property, plant and equipment

As at 30th September 2021								**(Figures in INR Lakhs.)**
Particulars	**Gross Block**			**Accumulated Depreciation**			**Net Block**	
	As at 1st April 2021	**Additions**	**As at 30th September 2021**	**As at 1st April 2021**	**Additions**	**As at 30th September 2021**	**As at 30th September 2021**	**As at 31st March 2021**
(a) Land	204.68	-	204.68	-	-	-	204.68	204.68
(b) Buildings	1,847.01	2.13	1,849.14	472.39	66.69	539.08	1,310.05	1,374.62
(c) Plant and Equipment:		-			-			
Plant & machinery	1,710.54	-	1,710.54	782.00	66.45	848.45	862.09	928.54
Pollution equipments	103.79	16.63	120.42	40.18	4.84	45.02	75.40	63.61
Tools components , spares and others	3,180.87	65.00	3,245.87	1,102.60	128.27	1,230.87	2,015.00	2,078.27
Rolls	344.40	93.33	437.73	160.70	29.27	189.98	247.75	183.70
Solar panels	3.75	-	3.75	0.75	0.11	0.86	2.89	3.00
(d) Furniture and Fixtures	6.92	4.80	11.72	4.62	0.68	5.30	6.42	2.29
(e) Vehicles	223.74	-	223.74	151.44	10.67	162.11	61.63	72.30
(f) Office equipments	23.57	2.32	25.89	13.10	2.59	15.69	10.21	10.48
(g) Electrical equipments	1,727.07	-	1,727.07	764.94	87.10	852.03	875.04	962.14
(h) Air conditioners	4.48	-	4.48	2.27	0.15	2.43	2.06	2.21
(i) Computers	13.38	2.29	15.66	9.59	1.48	11.06	4.60	3.79
Total	**9,394.21**	**186.49**	**9,580.70**	**3,504.58**	**398.30**	**3,902.89**	**5,677.81**	**5,889.62**

As at 31st March 2021								(Figures in INR Lakhs.)
Particulars	**Gross Block**			**Accumulated Depreciation**			**Net Block**	
	As at 1st April 2020	**Additions**	**As at 31st March 2021**	**As at 1st April 2020**	**Additions**	**As at 31st March 2021**	**As at 31st March 2021**	**As at 31st March 2020**
(a) Land	202.68	2.00	204.68	-	-	-	204.68	202.68
(b) Buildings	1,031.52	815.49	1,847.01	333.06	139.33	472.39	1,374.62	698.46
(c) Plant and Equipment:		-			-			
Plant & machinery	1,069.10	641.44	1,710.54	638.77	143.23	782.00	928.54	430.33
Pollution equipments	101.47	2.32	103.79	30.05	10.13	40.18	63.61	71.43
Tools components, spares and others	3,130.51	50.36	3,180.87	942.53	160.07	1,102.60	2,078.27	2,187.98
Rolls	344.40	-	344.40	135.42	25.28	160.70	183.70	208.98
Solar panels	3.75	-	3.75	0.52	0.23	0.75	3.00	3.23
(d) Furniture and Fixtures	6.44	0.48	6.92	2.98	1.64	4.62	2.29	3.46
(e) Vehicles	201.29	22.45	223.74	127.48	23.96	151.44	72.30	73.81
(f) Office equipments	16.07	7.50	23.57	9.17	3.92	13.10	10.48	6.90
(g) Electrical equipments	1,709.08	17.99	1,727.07	650.39	114.55	764.94	962.14	1,058.70
(h) Air conditioners	3.52	0.96	4.48	1.95	0.32	2.27	2.21	1.57
(i) Computers	8.56	4.81	13.38	6.50	3.08	9.59	3.79	2.06
Total	**7,828.41**	**1,565.80**	**9,394.21**	**2,878.82**	**625.77**	**3,504.58**	**5,889.62**	**4,949.59**

As at 31st March 2020								(Figures in INR Lakhs.)
Particulars	**Gross Block**			**Accumulated Depreciation**			**Net Block**	
	As at 1st April 2019	**Additions**	**As at 31st March 2020**	**As at 1st April 2019**	**Additions**	**As at 31st March 2020**	**As at 31st March 2020**	**As at 31st March 2019**
(a) Land	2.24	200.44	202.68	-	-	-	202.68	2.24
(b) Buildings	1,011.64	19.88	1,031.52	259.99	73.06	333.06	698.46	751.65
(c) Plant and Equipment:					-			
Plant & machinery	1,027.79	41.31	1,069.10	569.90	68.87	638.77	430.33	457.89
Pollution equipments	96.66	4.81	101.47	18.64	11.41	30.05	71.43	78.03
Tools components , spares and others	2,617.73	512.78	3,130.51	773.82	168.71	942.53	2,187.98	1,843.92
Rolls	220.98	123.42	344.40	106.65	28.76	135.42	208.98	114.33
Solar panels	3.75	-	3.75	0.27	0.25	0.52	3.23	3.48
(d) Furniture and Fixtures	5.94	0.50	6.44	0.22	2.76	2.98	3.46	5.73
(e) Vehicles	160.05	41.24	201.29	98.01	29.47	127.48	73.81	62.04
(f) Office equipments	13.62	2.45	16.07	4.20	4.97	9.17	6.90	9.42
(g) Electrical equipments	1,472.77	236.31	1,709.08	524.22	126.17	650.39	1,058.70	948.56
(h) Air conditioners	3.52	-	3.52	1.70	0.25	1.95	1.57	1.83
(i) Computers	7.54	1.02	8.56	4.83	1.67	6.50	2.06	2.71
Total	**6,644.26**	**1,184.15**	**7,828.41**	**2,362.45**	**516.37**	**2,878.82**	**4,949.59**	**4,281.80**

As at 31st March 2019								**(Figures in INR Lakhs.)**
Particulars	**Gross Block**			**Accumulated Depreciation**			**Net Block**	
	As at 1st April 2018	**Additions**	**As at 31st March 2019**	**As at 1st April 2018**	**Additions**	**As at 31st March 2019**	**As at 31st March 2019**	**As at 31st March 2018**
(a) Land	2.24		2.24	-		-	2.24	2.24
(b) Buildings	464.71	546.93	1,011.64	237.15	22.84	259.99	751.65	227.56
(c) Plant and Equipment:								
Plant & machinery	795.35	232.45	1,027.79	531.78	38.12	569.90	457.89	263.56
Pollution equipments	27.84	68.83	96.66	16.84	1.79	18.64	78.03	10.99
Tools components , spares and others	1,146.26	1,471.47	2,617.73	705.39	68.43	773.82	1,843.92	440.87
Rolls	141.32	79.67	220.98	90.45	16.21	106.65	114.33	50.87
Solar panels	-	3.75	3.75	-	0.27	0.27	3.48	-
(d) Furniture and Fixtures	-	5.94	5.94	-	0.22	0.22	5.73	-
(e) Vehicles	144.92	15.14	160.05	74.30	23.72	98.01	62.04	70.62
(f) Office equipments	3.69	9.93	13.62	2.73	1.47	4.20	9.42	0.96
(g) Electrical equipments	631.01	841.77	1,472.77	483.48	40.73	524.22	948.56	147.52
(h) Air conditioners	3.52	-	3.52	1.40	0.30	1.70	1.83	2.12
(i) Computers	4.26	3.28	7.54	3.49	1.34	4.83	2.71	0.77
Total	**3,365.10**	**3,279.15**	**6,644.26**	**2,147.02**	**215.43**	**2,362.45**	**4,281.80**	**1,218.08**

2(b): CAPITAL WORK-IN-PROGRESS

As at 30th September 2021 **(Figures in INR Lakhs.)**

Particulars	As at 1st April 2021	Additions	Disposal/ Adjustments	As at 30th September 2021
Buildings	3.47	7.19	-	10.66
Electrical equipments	196.76	0.29	-	197.05
Plant & machinery	45.13	19.14	-	64.27
Pollution equipments	60.49	-	-	60.49
Rolls	162.70	-	-	162.70
Tools components , spares and others	364.70	133.15	-	497.85
Total	**833.25**	**159.77**	**-**	**993.02**

As at 31st March 2021 **(Figures in INR Lakhs.)**

Particulars	As at 1st April 2020	Additions	Disposal/ Adjustments	As at 31st March 2021
Buildings	12.59	3.47	12.59	3.47
Electrical equipments	-	196.76	-	196.76
Plant & machinery	-	45.13	-	45.13
Pollution equipments	-	60.49	-	60.49
Rolls	-	162.70	-	162.70
Tools components , spares and others	-	364.70	-	364.70
Total	**12.59**	**833.25**	**12.59**	**833.25**

As at 31st March 2020 **(Figures in INR Lakhs.)**

Particulars	As at 1st April 2019	Additions	Disposal/ Adjustments	As at 31st March 2020
Buildings	-	12.59	-	12.59
Total	**-**	**12.59**	**-**	**12.59**

As at 31st March 2019				(Figures in INR Lakhs.)
Particulars	**As at 1st April 2018**	**Additions**	**Disposal/ Adjustments**	**As at 31st March 2019**
Buildings	7.05	-	7.05	-
Electrical equipments	1.40	-	1.40	-
Plant & machinery	27.26	-	27.26	-
Tools components , spares and others	24.25	-	24.25	-
Total	**59.96**	**-**	**59.96**	**-**

2.1: CWIP aging schedule				(Figures in INR Lakhs.)
Particulars	**Amount in CWIP for a period of**			
	As at 30th September 2021	**As at 31st March 2021**	**As at 31st March 2020**	**As at 31st March 2019**
A) Projects in progress				
Less than 1 year	668.58	833.25	12.59	-
1-2 years	324.44	-	-	-
Total	**993.02**	**833.25**	**12.59**	**-**
B) Projects Temporarily suspended	**-**	**-**	**-**	**-**

2.2: All the Property, plant and equipment (including Capital work-in-progress) are secured as primary securities against secured loans and as collateral securities for working capital finance with the respective financers (Refer Note 12(a) and 15)

2.3: Capital work-in-progress includes borrowing cost of Rs.19.96 lakhs, capitalised during the period ended 30th September 2021, Rs. 31.19 lakhs capitalised during the year ended 31st March 2021, Rs. Nil capitalised during the year ended 31st March 2020 and Rs. Nil capitalised during the year ended 31st March 2019.

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564
Notes to Restated Ind AS Summary Statements

(Figures in INR Lakhs.)

Note no.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
3	**Other Financial Assets**				
	(Unsecured, considered good)				
	Security deposit - Rent	0.42	0.42	0.42	0.42
	Fixed Deposits with banks for more than 12 months maturity	48.95	48.64	45.97	1.97
	Total	**49.37**	**49.06**	**46.39**	**2.39**
3.1	Out of the above, fixed deposits kept under lien against bank guarantees issued by the bank in favour of:				
	(a) Pollution Control Board	0.87	1.67	1.66	0.66
	(b) National Highway Authority	1.51	1.48	1.31	1.31
		2.38	3.14	2.97	1.97
3.2	Fixed deposits kept as collateral against loan with Canara Bank	46.56	45.50	43.00	-
		48.95	**48.64**	**45.97**	**1.97**
4	**Other non-current assets**				
	Advance against IPO Expenses		-	-	15.41
	Hariom Employees Gratuity Trust	15.23	15.60	15.88	6.32
	Deposit with Govt. Authorities	24.02	20.27	1.52	1.27
	Total	**39.24**	**35.86**	**17.40**	**23.00**

Note no.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
4.1	There is no advances which are due from directors or other officers of the company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person				
5	**Inventories**				
	Raw materials	1,475.80	1,178.03	738.47	1,124.62
	Finished goods	5,114.36	3,591.45	2,845.67	958.39
	Stores, spares and consumables	3,729.12	3,238.52	2,369.35	1,818.18
	Total	**10,319.29**	**8,008.00**	**5,953.49**	**3,901.19**
5.1	All the above inventories are secured as a primary security against working capital finance and as collatoral securities against property, plant and equipment (except vehicle loans from other banks/financial institutions) to Canara bank				
5.2	For mode of valuation of inventories, please refer note 1(r) of the significant accounting policies				
6	**Trade receivables**				
	Trade Receivables considered good - secured		-	-	-
	Trade Receivables considered good - unsecured	2,257.46	1,962.91	2,277.60	1,048.58
	Trade receivables which have significant increase in credit risk		-	-	-
	Trade receivables - credit impaired		-	-	-
	Total	**2,257.46**	**1,962.91**	**2,277.60**	**1,048.58**
6.1	All the above trade receivables are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks / financial institutions) to Canara bank.				

Note no.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
6.2	Trade receivable include the amounts due from a firm in which the directors are partners	-	23.91	-	43.36
6.3	**Ageing of trade receivable are as follows:**				
	Particulars	**Undisputed Trade receivables – considered good**	**Undisputed Trade receivables – considered good**	**Undisputed Trade receivables – considered good**	**Undisputed Trade receivables – considered good**
	Less than 6 months	2,257.46	1,962.91	2,277.60	1,048.58
	6 months - 1 year	-	-	-	-
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
	Total	**2,257.46**	**1,962.91**	**2,277.60**	**1,048.58**
7(a)	**Cash and cash equivalents**				
	Cash on Hand	3.84	1.26	10.70	1.35
	Balance with banks	-	-	-	-
	On Current accounts	1.57	70.49	3.80	396.64
	On Fixed deposits	-	-	152.33	-
	Total	**5.41**	**71.75**	**166.82**	**397.99**
7(b)	**Bank balances other than Cash and cash equivalents**				
	Recurring deposits with banks	28.80	16.24	-	-
	Total	**28.80**	**16.24**	**-**	**-**
7(b).1	The above recurring deposits is under lien as cash collateral security with Canara Bank.				

Note no.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
8	**Other financial assets**				
	(Unsecured, considered good)				
	Interest accrued but not due		5.42	-	0.15
	Insurance claims receivable	6.56	-	1.72	15.64
	Total	**6.56**	**5.42**	**1.72**	**15.79**
9	**Other current assets**				
	(Unsecured, considered good)				
	(a) Advances other than capital advances				
	(i) Security deposits with electricity board	68.41	188.28	208.74	120.76
	(ii) Advance to suppliers	28.96	75.21	202.07	26.56
	(iii) Advance against salaries to employees	64.70	66.53	1.20	6.07
	(iv) Others:	-			
	Prepaid expenses	10.47	8.93	12.74	8.23
	Balances with government authorities	-			
	(i) Goods and services tax (GST) credit receivable	94.55	40.80	-	181.02
	(ii) Sales-tax receivable	0.85	0.85	0.85	0.85
	(iii) Excise duty	0.07	0.07	0.07	0.07
	(iv) Income tax receivable	31.88	31.88	31.88	31.88
	(b) Advance for capital goods	111.01	74.01	79.82	283.00
	(c) Advances for IPO	93.08	15.20	-	-
	(d) Other receivables	-	-	2.64	0.18
	(e) Hariom Employees Gratuity Trust	1.03	0.14	2.11	5.76
	Total	**505.01**	**501.91**	**542.11**	**664.37**
9.1	There is no advances which are due from directors or other officers of the company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person				

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564
Notes to Restated Ind AS Summary Statements

Note no.	Particulars	As at 30th September 2021		As at 31st March 2021		As at 31st March 2020		As at 31st March 2019	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
10	**EQUITY SHARE CAPITAL**								
10.1	**Authorised Equity Share capital**								
	Equity Shares of Rs.10/- each with voting rights	2,86,83,800	2,868.38	2,46,83,800	2,468.38	1,56,83,800	1,568.38	1,56,83,800	1,568.38
10.2	**Issued Capital**								
	Equity Shares of Rs.10/- each with voting rights	1,69,76,204	1,697.62	1,69,61,204	1,696.12	1,44,00,092	1,440.01	1,44,00,092	1,440.01
10.3	**Subscribed & Paid Up Capital**								
	Equity Shares of Rs.10/- each with voting rights	1,69,76,204	1,697.62	1,69,61,204	1,696.12	1,32,33,430	1,323.34	1,32,33,430	1,323.34

10.4	Reconciliation of no. of equity shares at the beginning and at the end of the period/year								
	At the beginning of the period/year	1,69,61,204	1,696.12	1,32,33,430	1,323.34	1,32,33,430	1,323.34	1,09,00,092	1,090.01
	Add: Issued during the period/year								
	(a) Fresh issue of Equity Shares	15,000	1.50	1,85,000	18.50			23,33,338	233.33
	(b) On Conversion of convertible preference shares into Equity Shares (Refer note no. 10.5, 10.6)			24,86,108	248.61	-	-	-	-
	(c) On Conversion of inter corporate deposits into Equity Shares (Refer note no 10.7)			10,56,666	105.67	-	-	-	-
	At the closing of the period/year	**1,69,76,204**	**1,697.62**	**1,69,61,204**	**1,696.12**	**1,32,33,430**	**1,323.34**	**1,32,33,430**	**1,323.34**

10.5	**3 % Series A Redeemable Non Cumulative Preference Shares (RNCPS)**								
	At the beginning of the period/year	-	-	29,50,000	295.00	28,54,028	285.40	-	-
	Issued during the period/year			-	-	95,972	9.60	28,54,028	285.40
	(Converted/ Redeem) during the period/year	-	-	(29,50,000)	(295.00)	-	-	-	-
	At the closing of the period/year	**-**	**-**	**-**	**-**	**29,50,000**	**295.00**	**28,54,028**	**285.40**

10.5.1	3% Series A Redeemable Non-Cumulative Preference Shares @ Rs.10/- were due to be redeemed in the financial year 2024-25. However during the financial year 2020-21 these preference shares were converted into Compulsorily convertible preference shares which were simultaneously converted into 8,19,443 Equity Shares of Rs. 10/- each at a price of Rs. 36/- per share which represents the book value per share

10.6	**0% Series B compulsorily convertible non- cumulative Preference Shares (CCNCPS)**								
	At the beginning of the period/year	-	-	50,00,000	500.00	-	-	-	-
	Issued during the period/year			10,00,000	100.00	50,00,000	500.00	-	-
	(Converted/ Redeem) during the period/year			(60,00,000)	(600.00)			-	-
	At the closing of the period/year	**-**	**-**	**-**	**-**	**50,00,000**	**500.00**	**-**	**-**

10.6.1	0% Series B Compulsorily Convertible Non- Cumulative Preference Shares of Rs 10/- were converted into 16,66,665 Equity Shares of Rs. 10/- each at a price of Rs. 36/- per share which represents the book value per share

10.7	During the FY 2020-21 the Company has converted inter corporate deposits of Rs. 3,80,39,976 standing in the name of M/s Ansh Commerce Private Limited and M/s Reo Solutions Private Limited into 10,56,666 Equity Shares of Rs. 10/- each at a price of Rs. 36 per share (Book Value) as mutually agreed with the lenders

10.8	**Equity shareholders holding more than 5% equity shares:**								
	Name of the Shareholder	**% of shares held**	***No. of shares held***	**% of shares held**	***No. of shares held***	**% of shares held**	***No. of shares held***	**% of shares held**	**% of shares held**
	Rupesh Kumar Gupta	24.70%	41,93,847	24.73%	41,93,847	27.49%	36,38,292	27.49%	36,38,292
	Sailesh Gupta	17.30%	29,36,222	17.31%	29,36,222	18.62%	24,64,000	18.62%	24,64,000
	Rupesh Kumar./Shailesh Kumar./Rakesh Kumar Gupta	13.74%	23,33,338	13.76%	23,33,338	17.63%	23,33,338	17.63%	23,33,338
	Ansh Commerce Private Limited	11.67%	19,81,665	11.68%	19,81,665	-	-	-	-
	Rakesh Kumar Gupta	9.66%	16,40,000	11.14%	18,90,000	14.28%	18,90,000	14.28%	18,90,000
	Sunita Gupta	6.34%	10,75,720	7.82%	13,25,720	6.13%	8,11,832	6.13%	8,11,832
	Parul Gupta	5.34%	9,05,968	5.34%	9,05,968	6.85%	9,05,968	6.85%	9,05,968

10.9	Shares held by promoters

For the period ended 30th September 2021:

Shares held by promoters at the period end			% Change during the period
Promoter Name	**No. of Shares**	**%of total shares**	
Rupesh Kumar Gupta	41,93,847	24.70%	0%
Sailesh Gupta	29,36,222	17.30%	0%

For the period ended 31st March 2021:

Shares held by promoters at the end of the year			% Change during the Year
Promoter Name	**No. of Shares**	**%of total shares**	
Rupesh Kumar Gupta	41,93,847	24.73%	15.27%
Sailesh Gupta	29,36,222	17.31%	19.16%

For the period ended 31st March 2020:

Shares held by promoters at the end of the year			% Change during the Year
Promoter Name	**No. of Shares**	**%of total shares**	
Rupesh Kumar Gupta	36,38,292	27.49%	0%
Sailesh Gupta	24,64,000	18.62%	0%

For the period ended 31st March 2019:

Shares held by promoters at the end of the year			% Change during the Year
Promoter Name	**No. of Shares**	**%of total shares**	
Rupesh Kumar Gupta	36,38,292	27.49%	0%
Sailesh Gupta	24,64,000	18.62%	0%

10.10 As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

10.11 **Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e., equity shares having face value of Rs 10 per share. Each holder of equity share is entitled to one vote per share.

		No. of Shares issued as bonus shares	No. of Shares issued as bonus shares	No. of Shares issued as bonus shares	No. of Shares issued as bonus shares
10.12	The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years i.e. on 23rd December 2017, as at the year end	89,53,647	89,53,647	89,53,647	89,53,647
10.13	The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended	-	-	-	-
10.14	**Capital Management** The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.				

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564
Notes to Restated Ind AS Summary Statements

Note no.	Other Equity				(Figures in INR Lakhs.)
11	Particulars	Equity component of compound financial instruments	Reserves and surplus		Total
			Securities premium	Surplus in Statement of profit and loss	
	Balance as at 1st April 2018	**-**	**19.29**	**839.46**	**858.76**
	Add/(less):				
	(a) Total Comprehensive Income for the period/year			799.51	799.51
	(d) Premium on issue of shares	-	466.67		466.67
	Balance as at 31st March 2019	**-**	**485.96**	**1,638.97**	**2,124.93**
	Additions due to adjustments made on first time adoption of IND AS:				
	(a) Recognition of equity component of compound financial instruments - 3% Series A Redeemable Non-Cumulative Preference Shares	105.55			105.55

(b) Recognition of equity component of compound financial instruments - 0 % Series A Redeemable Non-Cumulative Preference Shares	94.64	-	-	94.64
(c) On recognition of income/expenses as per IND AS	-	-	(39.43)	(39.43)
	200.19	-	(39.43)	160.76
Restated balance as at 31st March 2019	**200.19**	**485.96**	**1,599.54**	**2,285.69**
Balance as at 1st April 2019	**200.19**	**485.96**	**1,599.54**	**2,285.69**
Add:				
(a) Total Comprehensive Income for the period/year	-	-	797.20	797.20
(b) Recognition of equity component of compound financial instruments - 3% Series A Redeemable Non-Cumulative Preference Shares	3.07	-	-	3.07
(c) Recognition of equity component of compound financial instruments - 0% Series B Compulsorily Convertible Non- Cumulative Preference Shares	500.00	-	-	500.00
	503.07	**-**	**797.20**	**1,300.26**
Less: Dividends (including dividend distribution tax) paid			79.40	79.40
Restated balance as at 31st March 2020	**703.26**	**485.96**	**2,317.34**	**3,506.55**
Balance as at 1st April 2020	**703.26**	**485.96**	**2,317.34**	**3,506.55**
Add:				
(a) Total Comprehensive Income for the year	-	-	1,515.67	1,515.67
(b) Equity component of Compound Financial Instruments - 0% Series B Compulsorily Convertible Non-Cumulative Preference Shares	100.00	-	-	100.00
(c) Premium on issue of shares	-	48.10	-	48.10
(d) Premium on conversion of convertible preference shares into Equity Shares	-	646.39	-	646.39
(e) Premium on conversion of inter corporate deposits into Equity Shares	-	274.73	-	274.73
	100.00	969.22	1,515.67	2,584.89
Less:				
(a) Equity component of Compound Financial Instruments - on conversion of 3% Series A Redeemable Non-Cumulative Preference Shares into Equity Shares	108.62	-	-	108.62
(b) Equity component of Compound Financial Instruments - on conversion of 0% Series B	600.00	-	-	600.00

Compulsorily Convertible Non-Cumulative Preference Shares into Equity Shares				
Restated balance as at 31st March 2021	**94.64**	**1,455.18**	**3,833.00**	**5,382.82**
Balance as at 1st April 2021	**94.64**	**1,455.18**	**3,833.00**	**5,382.82**
Add:				
(a) Total Comprehensive Income for the period/year	-	-	1,287.82	1,287.82
(b) Premium on issue of shares	-	3.90	-	3.90
	-	3.90	1,287.82	1,291.72
Restated balance as at 30th September 2021	**94.64**	**1,459.08**	**5,120.83**	**6,674.55**

11.1 Term and conditions of compound financial instruments - Preference Shares

11.1.1 **3% Series A Redeemable Non-Cumulative Preference Shares**

* Converted into 0% Compulsorily Convertible Preference Shares on 24/12/2020

29,50,000 3% Series A Redeemable Non Cumulative Preference Shares of Rs. 10 each fully paid up.

Terms and conditions

i) The RNCPS shall be non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid;

ii) The RNCPS shall carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital;

iii) The RNCPS shall have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013.

iv) The payment of dividend shall be on Non cumulative basis for the RNCPS.

v) The RNCPS shall be Non-convertible

vi) The RNCPS shall be redeemable within a period of 5 years from the date of allotment at par on the Face Value of the preference shares

vii) The above preference shares are discounted at 8% p.a.

11.1.2 **0 % Series A Redeemable Non Cumulative Preference Shares**

33,16,200 .0% Series A Redeemable Non Cumulative Preference Shares of Rs. 10 each

Terms and conditions

i) carry a preferential right vis-i-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital

ii) be Non-participating in the surplus funds;

iii) be paid dividend on a non - cumulative basis.

iv) be redeemed at a premium of 5 % at any time within a period of 5 years from date of allotment or at a premium of 10 % at any time after a period of 5 years but within a period of 10 years from the date of allotment or at a premium of 20 % after a period of 10 years from the date of allotment at the option of the Board:

v) have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Act

vii) The above preference shares are discounted at 8% p.a.

11.1.3	**0% Series B Compulsorily Convertible Non- Cumulative Preference Shares** 60,00,000 0% Series B Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 10 each. Terms and conditions i)The 0% CCNCPS shall be non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid; ii) The 0% CCNCPS shall carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital; iii) The 0% CCNCPS shall have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013. iv) The payment of dividend shall be on Non cumulative basis for the 0% CCNCPS. v) The 0% CCNCPS shall be Compulsorily convertible into Equity Shares of the Company vi) The 0% CCNCPS shall be Non Redeemable Preference Shares
11.2	**Nature and purpose of creation and utilisation of reserves**
11.2.1	**Securities Premium:** Securities premium is created on excess amount received over and above the face value on issue of the shares and securities. The securities premium can be utilised in accordance with the provisions of Section 52 of the Companies Act 2013. These include issue of bonus shares and writing of expenses incurred such as commission etc. on issue of shares/securities.
11.2.2	**Retained Earnings:** Retained earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or other distribution or the distributions paid to the shareholders.

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels Private Limited)
CIN:U27100TG2007PLC054564
Notes to Restated Ind AS Summary Statements

(Figures in INR Lakhs.)

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
12	**Borrowings**				
	Secured:				
	(a) Term Loans :				
	- From banks - Canara Bank	2,575.03	3,170.24	1,806.50	1,934.28
	- Canara Bank (Vehicle Loans)	1.75	2.90	4.23	6.20
	- HDFC Bank (Vehicle Loans)	12.16	15.46	21.61	-
	- From Others - Kotak Mahindra Prime Ltd (Vehicle Loans)	3.35	8.64	21.83	36.22
		2,592.30	3,197.24	1,854.18	1,976.70
	Unsecured				

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	(a) Loans from related parties (Unsecured)				
	- From Directors	251.66	197.16	110.16	277.67
	- From other group companies - intercompany deposits	-	-	430.40	430.40
		251.66	197.16	540.56	708.07
	(b) Liability component of compound financial instruments				
	- Convertible preference shares				
	0% Series A Redeemable Non-Cumulative Preference Shares	-	-	322.41	298.53
	3% Series A Redeemable Non-Cumulative Preference Shares	-	-	-	179.85
		-	-	322.41	478.38
	Total (a) +(b)	251.66	197.16	862.97	1,186.45
	Total	**2,843.96**	**3,394.40**	**2,717.15**	**3,163.15**
12.1	**Note (i) Term and conditions for repayment of loan**				
	Primary Charge on equitable mortgage of land & buildings , existing plant & machinery and other property, plant and equipment's, and by collateral security for working capital, whether present or future and are further guaranteed by two Directors of the Company & their Family Members. The loan taken from Canara Bank MCB Branch is repayable in 58 monthly instalments starting from Jun'2019 till Mar' 2024.	1,731.41	2,031.41	2,394.00	2,392.38
	Secured by Primary Charge on Equitable Mortgage of Land & Building, existing Plant & Machinery and Other Fixed Assets, Present and Future Collateral for Security of Working Capital & further guaranteed by two Directors of the Company and their family members. Loan taken from Canara Bank MCB Branch is repayable in monthly instalments starting from Feb' 2017 till Oct' 2021.	-	12.50	41.90	71.30
	Secured by Primary Charge on Equitable Mortgage of Land & Building, existing Plant & Machinery and Other Fixed Assets, Present and Future Collateral for Security of Working Capital & further guaranteed by two Directors of the Company & their Family Members. Loan taken from Canara Bank MCB Branch is repayable	833.56	952.15	-	-

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	in 57 monthly instalments starting from April'2021 till March' 2025.				
	Secured by Primary Charge on Equitable Mortgage of Land & Building, existing Plant & Machinery and Other Fixed Assets, Present and Future Collateral for Security of Working Capital & further guaranteed by two Directors of the Company & their Family Members. Loan taken from Canara Bank MCB Branch is repayable in 18 monthly instalments starting from Jan'2021 till June' 2022.	160.51	266.27	-	-
	Secured by Primary Charge on Equitable Mortgage of Land & Building, existing Plant & Machinery and Other Fixed Assets, Present and Future Collateral for Security of Working Capital & further guaranteed by two Directors of the Company and their family members. Loan taken from Canara Bank MCB Branch is repayable in 60 monthly instalments starting from April' 2022 till March' 2026.	966.92	966.34	-	-
	Total	**3,692.41**	**4,228.67**	**2,435.90**	**2,463.68**
	Less :- Current maturities of long term borrowings	1,117.38	1,058.43	629.40	529.40
	Total Long term Borrowings	**2,575.03**	**3,170.24**	**1,806.50**	**1,934.28**
		-			
	Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from Canara Bank is repayable in monthly 60 instalments till Jan'2023.	4.05	5.10	6.25	8.05
	Less :- Current maturities of long term borrowings	2.29	2.20	2.01	1.85
	Total Long term Borrowings	**1.75**	**2.90**	**4.23**	**6.20**
	Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till May' 2024.	18.61	21.62	27.24	1.17
	Less :- Current maturities of long term borrowings	6.45	6.16	5.63	1.17
	Total Long term Borrowings	**12.16**	**15.46**	**21.61**	**-**

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Note (ii) Term and conditions for repayment of loan other than bank as follows:-				
	Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from Kotak Mahindra Prime Ltd. is repayable in 60 monthly instalments till Jan'2023.	15.74	20.56	32.87	43.39
	Less :- Current maturities of long term borrowings	12.39	11.92	11.04	7.18
	Total Long term Borrowings	**3.35**	**8.64**	**21.83**	**36.22**

12.2. Terms and conditions for unsecured loans from directors and companies - No terms stipulated for interest and repayment of these loans

12.3 For terms and conditions for Compound financial instruments, refer note no. 11.1

12.4 The Company had issued in FY 2015-16, Zero percent (0)% Redeemable Non-Cumulative Preference Shares (NCPS) with an option to the Board to redeem these NCPSs at a premium of 5 % at any time within a period of 5 years or at a premium of 10% within a period of 10 years or at a premium of 20% if the shares are redeemed after a period of 10 years. As the tenure of Preference Shares was about to complete 5 years the Board initiated the process for KYC and redemption of the said preference shares with the consent of such preference shareholders.

On non-receipt of KYC from one of the preference shareholder, a board meeting was called up during 2021-22 on 25th October, 2021 and instead of redemption, the company decided and passed a Board resolution for change in terms of redemption i.e. no premium on redemption with a maturity period at the end of 20 years (against earlier period of 5 years or 10 years or beyond 10 years as the case may be) and the same was approved in the adjourned preference shareholders' meeting held on 26th November, 2021 with one shareholder present. The necessary filings for the same is complied with the Ministry of Corporate Affairs. The half yearly accounts as at 30th September 2021 represent status as of previous year ended 31st March 2021 and the necessary effect of modification in terms of preference shares redemption will be given in next quarterly (31.12.2021 ending) and yearly (31.03.2022 ending) accounts, as the case may be.

13	**Provisions**				
	- for Employee gratuity	28.62	20.58	15.88	10.82
14	**Deferred tax liabilities (Net)**				
	Balance in the beginning (Net)	358.45	222.80	95.72	21.91
	Add: Deferred tax recognised in Profit and Loss other than MAT	(20.71)	41.09	169.36	126.09
	Minimum alternate tax (credit) /Utilised (DTA)	-	94.56	(42.29)	(52.27)
	Balance at the year-end (Net)	**337.74**	**358.45**	**222.80**	**95.72**
15	**Borrowings**				

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Secured:				
	(a) Loan repayable on demand				
	From banks: - (Canara Bank)				
	(i) Working capital facilities	3,970.51	2,593.88	2,652.41	1,494.36
	(ii) Bills discounted under LC	530.30	602.29	598.16	384.94
		4,500.82	3,196.17	3,250.57	1,879.30
	(b) Current maturities of long term borrowings towards:				
	(i) Long term borrowings from banks	1,126.12	1,066.79	637.04	532.42
	(ii) Long term borrowings from other than banks	12.39	11.92	11.04	7.18
	(iii) Compound financial instruments - Preference shares	348.20	348.20	200.77	
		1,486.72	1,426.91	848.85	539.60
	Total	**5,987.53**	**4,623.08**	**4,099.43**	**2,418.90**
15.1	The above loans are secured by way of hypothecation of inventories and receivables and by secondary charge on other property, plant and equipment's. These are also guaranteed by the personal guarantees of the Directors and their relatives				
16	**Trade payable**				
	(a) Outstanding dues of Micro and small enterprises		-	-	-
	(b) Outstanding dues of creditors other than micro enterprises and small enterprises	1,003.56	429.93	1,492.72	770.78
	Total	**1,003.56**	**429.93**	**1,492.72**	**770.78**
16.1	The information in respect of Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been given in respect of such vendors to the extent they could be identified as Micro, Small enterprises on the basis of information available with the company on records.				
16.2	The information required under note no. 6. FA (a) to (e) as per the general instruction for preparation of balance sheet not applicable as there are no trade payable for SME.				
16.3	Trade payable include the amounts due to a firm in which the directors are partners	73.99	-	72.74	-
		-			
16.4	**Ageing of trade payable are as follows:**				
	Particulars				
	MSME - Undisputed	-	-	-	-

Note No.	Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
	Less than 1 year	-	-	-	-
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
	Total	**-**	**-**	**-**	**-**
	Others - Undisputed				
	Less than 1 year	1,003.56	429.93	1,492.72	770.78
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
	Total	**1,003.56**	**429.93**	**1,492.72**	**770.78**
17	**Other financial liabilities**				
	Capital goods and Consumable stores and spares	599.01	968.05	262.36	96.35
	Total	**599.01**	**968.05**	**262.36**	**96.35**
18	**Other current liabilities**				
	(a) Statutory dues payable	224.31	253.32	113.47	32.78
	(b) Other liabilities - Outstanding expenses	90.44	12.49	59.29	5.86
	Total	**314.75**	**265.81**	**172.75**	**38.64**
19	**Provisions**	-	-	-	-
	- for Employee gratuity	1.94	0.19	2.11	9.86
20	**Current tax liabilities (Net)**				
	Provision for tax (net of taxes paid)	392.68	234.59	152.62	121.85

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)
CIN:U27100TG2007PLC054564
Notes to Restated Ind AS Summary Statements

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
21	**Revenue from operations**				
	-				
	(a) Sale of products (Refer note 21.1 below)	20,087.10	25,413.89	16,077.69	13,359.61
	Total	**20,087.10**	**25,413.89**	**16,077.69**	**13,359.61**
21.1	**(i) Sales and Services :**				
	Sales of manufacturing goods - Steel Products	27,473.97	30,256.07	18,971.67	15,764.34
	Total	**27,473.97**	**30,256.07**	**18,971.67**	**15,764.34**
	Less: Taxes & Duties	4,195.51	4,626.25	2,893.98	2,404.73
	Less: Internal Stock Transfer	3,191.37	215.92	-	-
	Revenue from operations	**20,087.10**	**25,413.89**	**16,077.69**	**13,359.61**
22	**Other income**				
	(a) Interest income	28.76	42.23	36.83	31.91
	(b) Gain on foreign currency transactions (net)	0.14	0.05	0.20	0.04
	(c) Gain on Settlement of Compound Financial Instrument	-	26.14	-	-
	(e) Miscellaneous Income	-	-	0.33	-
	Total	**28.90**	**68.42**	**37.36**	**31.95**
23	**Cost of materials consumed**				
	(a) Raw materials consumed:				
	Opening stock	1,178.03	738.47	1,124.62	772.93
	Add: Purchases during the period/year	17,762.70	18,220.50	10,145.94	8,427.92
		18,940.73	**18,958.97**	**11,270.56**	**9,200.85**
	Less: Internal Stock Transfer	3,191.37	215.92	-	-
	Less: Closing Stock	1,475.80	1,178.03	738.47	1,124.62
		4,667.17	**1,393.95**	**738.47**	**1,124.62**
	Raw materials consumed	**14,273.56**	**17,565.02**	**10,532.09**	**8,076.23**

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	(b) Stores & Spares consumed:				
	Opening stock	3,238.52	2,369.35	1,818.18	1,473.90
	Add: Purchases during the period/year	1,271.45	1,335.86	972.27	677.43
		4,509.97	**3,705.21**	**2,790.45**	**2,151.33**
	Less: Closing Stock	3,729.12	3,238.52	2,369.35	1,818.18
	Stores and spares consumed	**780.85**	**466.68**	**421.10**	**333.15**
	Total cost of materials consumed	**15,054.41**	**18,031.70**	**10,953.19**	**8,409.38**
24	**Changes in inventories of finished goods, stock-in -trade and work-in-progress**				
	(a) Finished goods				
	Opening stock	3,591.45	2,845.67	958.39	964.27
	Less: Closing stock	5,114.36	3,591.45	2,845.67	958.39
	(Increase)/decrease in inventories	**-1,522.91**	**-745.78**	**-1,887.28**	**5.88**
25	**Employee benefits expense**				
	(a) Salaries and wages				
	-Salaries and Wages	742.82	470.65	447.70	406.23
	-Director remuneration	210.00	420.00	324.00	120.00
	-Others	0.69	41.79		
	(b) Contribution to provident fund/employees state insurance and others	19.83	15.07	12.49	12.04
	(c) Staff welfare expenses	15.68	3.05	45.42	42.80
	Total	**989.03**	**950.55**	**829.62**	**581.07**
26	**Finance costs**				
	(a) Interest expense :				
	(i) Working capital facilities	167.81	286.25	236.14	176.52
	(ii) Term loan	179.69	300.49	315.94	19.50
	(iii) Vehicle loan	1.91	5.03	6.01	4.88
	(iv) LC commission	38.74	104.36	120.66	121.29
	(v) Interest on compound financial instruments	-	37.54	38.27	22.11
		388.14	733.68	717.02	344.30
	(b) Other financial costs	28.97	17.53	20.05	10.34
	Total	**417.11**	**751.21**	**737.07**	**354.63**

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
27	**Other expenses**				
	(a) Communication expenses	1.50	3.24	3.39	3.02
	(b) Director sitting fees	2.13	3.48	3.50	2.05
	(c) Commission expenses	2.46	10.74	1.35	1.60
	(d) Office maintenance	2.16	1.67	0.66	1.49
	(e) Printing & stationary	3.36	2.86	4.79	1.15
	(f) Security services	18.35	17.21	7.63	5.42
	(g) Other selling & distribution expenses	16.92	2.72	4.18	8.22
	(h) Rent	8.40	16.80	16.80	11.80
	(i) Travelling and conveyance	16.75	24.88	28.33	31.61
	(j) Payment to auditors (refer note 27.1 below)	3.00	2.30	2.00	2.00
	(k) Legal and professional charges	22.48	40.61	25.84	24.26
	(l) Job work charges	-	-	0.27	-
	(m) Production factory maintenance	10.59	-	-	-
	(n) Repairs and maintenance				
	(i) Building	18.30	25.53	6.73	-
	(ii) Plant and machinery	102.18	145.41	12.82	16.12
	(iii) Vehicles	2.42	4.27	3.84	3.46
	(iv) Others	3.17	2.70	2.76	0.71
	(o) Rates and taxes	7.25	7.23	10.58	4.92
	(p) Filing and registration fee	21.45	15.93	15.77	6.19
	(q) Corporate social responsibility (refer note 27.2 below)	13.59	27.93	11.91	6.25
	(r) Insurance	6.21	11.03	10.00	9.06
	(s) Miscellaneous expenses	1.94	1.55	5.56	2.43
	Total	**284.61**	**368.08**	**178.71**	**141.77**
27.1	Payment to statutory auditors				
	For audit	1.50	1.70	1.40	1.40
	For other services	1.50	0.60	0.60	0.60
		3.00	**2.30**	**2.00**	**2.00**
27.2	As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure as required by the Management are as follows :				
	(a) Gross amount required to be spent by the Company for the year	10.57	15.36	10.86	4.35
	(b) Amount spent during the year:				
	(i) on purposes other than construction / acquisition of any asset)	13.59	27.93	11.91	6.25
	(ii) for the purpose of acquisition / construction of assets	-	-	-	

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
		13.59	27.93	11.91	6.25
	(c) Shortfall at the year/period end (of CSR expenditure incurred)	-	-	-	-
	(d) Total of previous year/period short fall	-	-	-	-
	(e) Out of the above, expenses recognised in Statement of Profit and Loss				
	(i) Expenses actually incurred i.e. paid (cash)	13.59	27.93	11.91	6.25
	(ii) Expenses incurred but not paid, i.e. provided for (Provision)	-	-	-	-
		13.59	27.93	11.91	6.25
	(f) Nature of CSR activities				
	(i) Education	7.54	5.12	-	3.31
	(ii) Animal welfare	3.15	4.46	6.26	2.58
	(iii) Children welfare	0.22	1.66	-	-
	(iv) Ensuring environmental sustainability	1.23	10.30	-	-
	(v) Health care	1.31	4.52	5.65	0.36
	(vi) Protection of flora and fauna	-	1.25	-	-
	(vii) Restoration of buildings and sites of historical importance	0.15	0.63	-	-
		13.59	27.93	11.91	6.25
28	**Tax expenses**				
	Current tax	469.63	447.52	206.09	255.01
	Deferred tax	(21.01)	43.54	166.90	127.11
	Minimum alternate tax credit entitlement	-	94.56	-42.29	-52.27
	Tax for earlier periods	35.10	20.92	10.93	32.95
	Total	**483.72**	**606.54**	**341.64**	**362.79**
28.1	**Income tax expenses - current and deferred tax**				
	1. Profit or Loss section				
	(i) Current income tax :				
	Current income tax expense	469.63	447.52	206.09	255.01
	Tax expense of earlier years	35.10	20.92	10.93	32.95
	(ii) Deferred tax:				
	Tax expense on origination and reversal of temporary differences	(21.01)	38.95	166.90	127.11
	Minimum alternate tax (MAT) credit		94.56	(42.29)	(52.27)

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Effect of previously unrecognised tax losses on which deferred tax benefit is recognised		-	-	-
	Effect on deferred tax balances due to the change in income tax rate		4.59	-	-
	Total (ii)	**(21.01)**	**138.10**	**124.62**	**74.84**
	Income tax expense reported in Profit or Loss [(i)+(ii)]	**483.72**	**606.54**	**341.64**	**362.79**
	2. Other comprehensive income (OCI) section:				
	(i) Items not to be reclassified to profit or loss in subsequent periods:				
	Current tax expense/(income):				
	On measurement of defined benefit plans	0.31	(2.45)	2.45	(1.03)
	Income tax expense reported in the OCI section	**0.31**	**(2.45)**	**2.45**	**(1.03)**
28.2	**Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:**				
	(1) Profit before tax as per the Statement of profit and loss	1,770.62	2,119.74	1,132.47	1,164.79
	(2) Corporate tax rate as per Income Tax Act, 1961				
	(a) Tax Rate as applicable to corporates	29.12%	29.12%	29.12%	29.12%
	(b) Less: Tax rate adjustment due to opting for the applicability of rates prescribed under section 115BBA	3.95%	0.00%	0.00%	0.00%
	(c) Applicable tax rates	25.168%	29.12%	29.12%	29.12%
	(3) Tax on accounting profit (3) = (1) * (2)				
	Tax on accounting profit	515.60	617.27	329.78	339.19
	(b) Less: Tax rate adjustment due to opting for the applicability of rates prescribed under section 115BBA	69.97	-	-	-
	Tax as per opted tax rates under section 115BBA	445.63	617.27	329.78	339.19
	(i) Tax on Income exempt from tax/Non cash Income :	-	(7.61)	-	-
	(ii) Tax on expenses not tax deductible:				
	(A) CSR expenses	3.42	7.88	2.88	1.19

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	(B) Expenses in relation to exempt income				
	(C) Other disallowances	2.63	13.03	1.30	1.18
	(iii) Effect of previously unrecognised tax losses used to reduce deferred tax expense	-		-	-
	(iv) Effect on deferred tax balances due to the change in income tax rate	-	4.59	-	-
	(v) Effect of current tax related to earlier years	35.10	20.92	10.93	32.95
	(vi) Tax effect on various other items	(3.07)	45.02	(3.25)	(11.72)
	(vii) Reversal of MAT credit entitlement	-	(94.56)	-	-
	(4) Total effect of tax adjustments (i) to (vii)	38.09	(10.73)	11.87	23.60
	(5) Tax expense recognised during the year (5)=(3)+(4)	**483.72**	**606.54**	**341.64**	**362.79**
	(6) Effective tax rate (6)=(5)/(1)	27.32%	28.61%	30.17%	31.15%
28.3	**All unused losses as at March 31, 2021 have been set off while filing the Return of Income during the year.**				
28.4	**Components of deferred tax (assets) and liabilities recognised in the balance sheet and statement of profit and loss.**				
	Particulars	**Balance Sheet**			
	1. Items disallowed u/s 40(a) of Income Tax Act, 1961				
	2. Items disallowed u/s 43B of Income Tax Act, 1961	1.15	3.91	1.01	2.39
	3. Difference in book depreciation and income tax depreciation	336.59	354.54	316.34	150.39
	4. Any other disallowances / (allowances)				
	5. Minimum alternate tax credit	-	-	(94.56)	(52.27)
	6. Deferred tax expense/(income)				
	Net deferred tax (assets)/liabilities	**337.74**	**358.45**	**222.80**	**100.51**
	Particulars	**Statement of Profit or Loss**			
	1. Items disallowed u/s 40(a) of Income Tax Act, 1961				
	2. Items disallowed u/s 43B of Income Tax Act, 1961	(3.07)	5.35	0.95	(1.36)
	3. Difference in book depreciation and income tax depreciation	(17.95)	38.20	165.95	128.48
	4. Any other disallowance / (allowance)	-			

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	5. Minimum alternate tax credit	-	94.56	(42.29)	(52.27)
	Deferred tax expense/(income)	**(21.01)**	**138.10**	**124.62**	**74.84**
28.5	**Reconciliation of deferred tax (assets)/liabilities**				
	1. Balance as at the beginning	358.45	222.80	95.73	21.91
	2. Tax (income)/expense recognised in opening Retained earnings				
	3. Tax (income)/expense during the period recognised in:				
	(i) Statement of Profit and Loss in Profit or Loss section	(21.01)	138.10	124.62	74.84
	(ii) Statement of Profit and Loss under OCI section	0.31	(2.45)	2.45	(1.03)
	4. Balance as at period/year ended	**337.75**	**358.45**	**222.80**	**95.73**
29	**Earnings per Equity Share**				
	(a) Profit for the period/year attributable to the owners of the Company used in calculating basic and diluted earnings per share	1,286.90	1,513.20	790.83	802.00
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	85,10,412	1,42,16,537	1,32,33,430	1,09,32,056
	Adjustments for calculation of diluted earnings per share (Compulsory convertible preference shares)(Number)	-	12,24,014	1,06,545	-
	Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	85,10,412	1,54,40,551	1,33,39,975	1,09,32,056
	Basic earnings per share	15.12	10.64	5.98	7.34
	Diluted earnings per share	15.12	9.80	5.93	7.34
30	**Disclosure pursuant to Ind AS 19 “Employee Benefits”**				
	(a) Defined contribution plans:				
	Contribution towards PF and ESI recognised as an expense	9.37	9.95	7.32	6.96
	(b) Defined benefit plans:				
	Employee benefit obligation :				
	Gratuity Provisions				
	Changes in the Present Value of Obligation	**refer para 140(a)(ii) and 141 of Ind AS19**			
	PV Obligation as at the start:	**20.77**	**17.99**	**20.69**	**12.08**
	Acquisition adjustment -	-	-	-	-
	Interest Cost	0.66	1.21	1.58	0.95

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Past Service Cost	-	-	-	-
	Current Service Cost	10.34	4.15	3.60	4.14
	Curtailment Cost / (Credit)	-	-	-	-
	Settlement Cost / (Credit)	-	-	-	-
	Benefits paid/Due to be Paid	-	(2.90)	-	-
	Actuarial (gain)/ loss on obligation	(1.20)	0.31	(7.87)	3.52
	PV of Obligation as at the end:	**30.56**	**20.77**	**17.99**	**20.69**
	Bifurcation of Accrued Liability				
	Current Liability (Short term)	1.94	0.19	2.11	9.86
	Non-Current Liability (Long term)	28.62	20.58	15.88	10.82
	Total Accrued Liability	**30.56**	**20.77**	**17.99**	**20.69**
	Changes in the Fair Value of Plan Assets	**refer para 140(a)(ii) and 141 of Ind AS19**			
	FV of Plan Assets at the start:	**15.74**	**17.99**	**12.08**	-
	Acquisition Adjustments	(0.05)	(0.53)	(0.39)	-
	Exp. Return on Plan Assets	0.53	0.85	-	-
	Contributions (net)	-	-	5.35	12.08
	Benefits Paid	-	(2.90)	-	-
	Actuarial Gain /(loss) on Assets	0.03	0.32	0.95	-
	FV of Plan Assets at the end:	**16.26**	**15.74**	**17.99**	**12.08**
	Change in the Effect of Asset Ceiling	**refer para 140(a)(iii) and 141 of Ind AS19**			
	Effect of Asset Ceiling at the beginning				
	Interest Expense or Cost (to the extent not recognised in net interest expense)				
	Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling				
	Effect of Asset Ceiling at the end				
	Expenses Recognised in the Income Statement	**refer para 57(c) of Ind AS19**			
	Current Service Cost	10.34	4.15	3.60	4.14
	Past Service Cost		-	-	-
	Expected Return on Plan Assets	(0.53)	(0.85)	-	-
	Interest cost	0.66	1.21	1.58	0.95
	Expenses Recognised in the Income Statement	**10.46**	**4.51**	**5.18**	**5.09**
	Other Comprehensive Income	**refer para 57(c) of Ind AS19**			
	Actuarial (gain)/ loss on obligations - change in financial assumptions	(0.06)	(0.12)	1.49	0.28
	Actuarial (gain)/ loss on obligations - change in demographic assumptions	-	-	-	-

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs assumptions)	(1.13)	0.43	(9.36)	3.24
	Total Actuarial (gain)/ loss on obligations	**(1.20)**	**0.31**	**(7.87)**	**3.52**
	Actuarial Gain /(loss) on Plan Assets	0.03	0.32	0.95	-
	Total OCI	**(1.23)**	**(0.01)**	**(8.82)**	**3.52**
	Return on plan assets, excluding amount recognised in net interest expense				
	Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling				
	Components of defined benefit costs recognised in other comprehensive income				
	Major categories of Plan Assets (as percentage of Total Plan Assets)				
	Government of India securities	Nil	Nil	Nil	Nil
	State Government securities	Nil	Nil	Nil	Nil
	High quality corporate bonds	Nil	Nil	Nil	Nil
	Equity shares of listed companies	Nil	Nil	Nil	Nil
	Property	Nil	Nil	Nil	Nil
	Special Deposit Scheme	Nil	Nil	Nil	Nil
	Funds managed by Insurer	Nil	Nil	Nil	Nil
	Bank balance	Nil	Nil	Nil	Nil
	Other Investments--LIC	100.00%	100.00%		
	Total				
	Financial Assumptions				
	Discount rate (per annum)	**6.81%**	**6.79%**	**6.73%**	**7.63%**
	Salary growth rate (per annum)	**4.00%**	**4.00%**	**4.00%**	**4.00%**
31	**Related party transactions and disclosures:**				
31.1	Related parties where control exists or where significant influence exists and with whom transactions have taken place during the restated period from 1st April'2018 to 31st March'2021 and for the period ended 30th September 2020 and 30th September 2021 are as follows:				

A) List of Related Parties :

Name	Relationship	Designation
Rupesh Kumar Gupta	Key Managerial Person	Managing Director
Sailesh Gupta	Key Managerial Person	Whole Time Director
Sunita Gupta	Key Managerial Person	Non-Executive Director
Pramod Kumar Kapoor	Key Managerial Person	Independent Director

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Santosh Kumar Rathi (Resign with effect from 19th March 2021)	Key Managerial Person		Independent Director	
	Rajender Reddy Gankidi (Appointed with effect from 15th May 2021)	Key Managerial Person		Independent Director	
	Shanti Sree Bolleni (Appointed with effect from 15th May 2021)	Key Managerial Person		Independent Director	
	Amitabha Bhattacharya	Key Managerial Person		Chief Financial Officer	
	Chirag Partani	Key Managerial Person		Company Secretary & Compliance Officer	
	Ashish Agarwal	Key Managerial Person		Marketing Head	
	Rakesh Kumar Gupta	Director's Relative		Executive	
	Parul Gupta	Director's Relative		Executive	
	Isha Gupta	Director's Relative		Executive	
	Ansh Golas	Director's Relative		Executive	
	B) Enterprises owned or significantly influenced by key managerial personnel:				
	Reo Solutions Pvt. Ltd.				
	Ansh Commerce Pvt. Ltd.				
	Lakshit Trade Link				
	Ultra Pipes				
	C) The following transactions were carried out with related parties in ordinary course of business				
	(a) Employee benefits expense				
	(i) Salary				
	Rupesh Kumar Gupta	90.00	180.00	180.00	60.00
	Sailesh Gupta	72.00	144.00	144.00	60.00
	Parul Gupta	18.00	36.00	36.00	25.35
	Isha Gupta	18.00	36.00	36.00	25.35
	Rakesh Kumar Gupta	12.00	24.00	24.00	24.00
	Ansh Golas	3.00	4.50	-	-
	Amitabha Bhattacharya	11.89	14.14	8.72	6.60
	Chirag Partani	4.69	6.10	4.32	4.32
	Ashish Agarwal	7.39	9.14	5.78	5.28
	Total	**236.98**	**453.88**	**438.82**	**210.90**
	(ii) Post employment benefits				
	Amitabha Bhattacharya	11.27	10.88	5.43	3.63

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Chirag Partani	1.35	2.58	-	-
	Ashish Agarwal	2.87	1.18	0.81	0.72
	Total	**15.48**	**14.63**	**6.24**	**4.35**
	(iii) Key-insurance premium for KMP				
	Rupesh Kumar Gupta	-	20.00	20.00	20.00
	Sailesh Gupta	-	20.00	20.00	20.00
		-	**40.00**	**40.00**	**40.00**
	(b) Directors' sitting fees:				
	Sunita Gupta	0.55	1.13	1.15	0.73
	Pramod Kumar Kapoor	0.58	1.20	1.20	0.80
	Santosh Kumar Rathi	-	1.15	1.15	0.75
	Rajender Reddy Gankidi	0.50	-	-	-
	Shanti Sree Bolleni	0.50	-	-	-
	Total	**2.13**	**3.48**	**3.50**	**2.28**
	(c) Rent Paid :				
	Rupesh Kumar Gupta	3.30	6.60	6.60	6.60
	Sailesh Gupta	3.00	6.00	6.00	1.00
	Parul Gupta	2.10	4.20	4.20	4.20
	Total	**8.40**	**16.80**	**16.80**	**11.80**
	(d) Sales of Goods				
	Ultra Pipes	4,555.17	6,216.73	3,136.70	1,543.74
	(e) Purchase of Goods				
	Ultra Pipes	4,449.92	3,783.86	1,177.98	280.76
	Lakshit Trade Link	-	12.28	-	13.28
	Total	**4,449.92**	**3,796.13**	**1,177.98**	**294.03**
	(f) Unsecured Loans Taken				
	Rupesh Kumar Gupta	17.00	47.00	43.80	132.00
	Sailesh Gupta	27.00	70.00	18.69	51.00
	Sunita Gupta	20.50	0.00	105.00	-
	Ansh Commerce (Pvt.) Ltd.	-	-	190.00	291.10
	Total	**64.50**	**117.00**	**357.49**	**474.10**

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	(g) Unsecured Loans repaid/converted into equity shares				
	Rupesh Kumar Gupta	-	30.00	100.00	12.50
	Sailesh Gupta	10.00	-	50.00	12.50
	Sunita Gupta	-	-	185.00	-
	Ansh Commerce (Pvt.) Ltd.	-	423.40	190.00	291.10
	Reo Solutions (Pvt.) Ltd.	-	7.00	-	-
	Total	**10.00**	**460.40**	**525.00**	**316.10**
	(h) Issue of Preference Share Capital				
	Ansh Commerce (Pvt.) Ltd.	-	100.00	240.00	-
	Rupesh Kumar Gupta	-	-	200.00	-
	Sailesh Gupta	-	-	170.00	-
	Sunita Gupta	-	-	185.00	-
	Total	**-**	**100.00**	**795.00**	**-**
	(i) Conversion of Preference Share Capital				
	Ansh Commerce (Pvt.) Ltd.	-	340.00	-	-
	Rupesh Kumar Gupta	-	200.00	-	-
	Sailesh Gupta	-	170.00	-	-
	Sunita Gupta	-	185.00	-	-
	Total	**-**	**895.00**	**-**	**-**
	(j) Issue of Equity Share Capital				
	Ansh Commerce (Pvt.) Ltd.	-	198.17	-	-
	Reo Solutions (Pvt.) Ltd.	-	1.94	-	-
	Rupesh Kumar Gupta	-	55.56	-	-
	Sailesh Gupta	-	47.22	-	-
	Sunita Gupta	-	51.39	-	-
	Amitabha Bhattacharya	-	5.00	-	-
	Chirag Partani	-	1.00	-	-
	Ansh Golas	0.40	4.25	-	-
	Rupesh Kumar./Shailesh Kumar./Rakesh Kumar Gupta	-	-	-	233.33
	Total	**0.40**	**364.53**	**-**	**233.33**
	(k) Advance To Employees				
	Amitabha Bhattacharya	-	18.00	-	-

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	Chirag Partani	-	3.60	-	-
	Ansh Golas	-	15.30	-	-
	Ashish Agarwal	-	1.80	-	-
	Total	**-**	**38.70**	**-**	**-**
	(l) Outstanding Unsecured Loan:				
	Ansh Commerce (Pvt.) Ltd.	-	-	423.40	423.40
	Reo Solutions (Pvt.) Ltd.	-	-	7.00	7.00
	Rupesh Kumar Gupta	109.79	92.79	75.79	131.99
	Sailesh Gupta	111.10	94.10	24.10	55.41
	Sunita Gupta	30.78	10.28	10.28	90.28
	Total	**251.66**	**197.16**	**540.56**	**708.07**
	(m) Trade Receivable				
	Ultra Pipes	-	23.91	-	43.36
	Total	**-**	**23.91**	**-**	**43.36**
	(n) Trade Payable				
	Ultra Pipes	73.99	-	72.74	-
	Total	**73.99**	**-**	**72.74**	**-**
31.2	The sales and purchases, services rendered to/from related parties are made on terms equivalent to those that prevail in arm’s length transaction. Outstanding balances at the year-end are unsecured and settlement occurs in cash.				
31.3	The Company has not recorded any impairment of receivables relating to amount owed by related parties and made the provision for bad debts.				
31.4	This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.				
31.5	**Details of financial guarantee received from related party**	6,694	5,054	4,859	4,859
32	**Contingent liabilities not provided for in respect of:**				
32.1	Claims against the company not acknowledged as debts:	600.69*	600.69	593.13	38.98

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
	*The ITAT has decided the appeal in company's favour by dropping the disputed demand of Rs.35.05 lakhs (included in the above amount) as per its order dated 05th October, 2016, pending appellate order effect as at the year end.				
32.2	Bank Guarantees to Pollution board and National Highway excluding financial guarantees	1.31	5.31	4.82	1.31
32.4	The Company does not expect any reimbursements in respect of the above contingent liabilities.				
32.5	It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (i) to (iii) above pending resolution of the legal proceedings. Further, the liability mentioned in (i) to (iii) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.				
32.6	In respect Bank Guarantees, the cash outflows, if any, could generally occur up to three years, being the period over which the validity of the guarantees extends.				
33	**Segment Reporting**				
	Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the company's performance and allocates resources based on an analysis of various indicators of business segment/s in which the company operates. The Company is primarily engaged in the business of manufacturing and trading of steel products to its customers, which the management and CODM recognise as the sole business segment. Hence disclosure of segment-wise information is not required and accordingly not provided. The other applicable information applicable where there is only one segment as required in accordance with IND AS 108 – Operating Segments, are as under: (a) The company does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly such information is not disclosed as allowed by para 32 of IND AS 108. **(b) Revenues**				
	Domestic	20,087.10	25,413.89	16,077.69	13,359.61
	Export		-	-	-
	TOTAL	20,087.10	25,413.89	16,077.69	13,359.61
	There are no revenues from external customers attributed to an individual foreign country				
	(c) The company have the following major single customers / group of external customer having 10% of its revenue.				
	Ultra pipes	4,555.17	6,216.73	3,136.70	1,543.74

Note no.	Particulars	For the Period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
34	**Leases**				
	The Company has accounted for short term lease as per paragraph 6 of Ind AS 116. The expense relating to short term lease is accounted for as Rent expenses in the statement of profit & loss.				
	Rent expense incurred during the year	8.40	16.80	16.80	11.80

Financial Instruments classification by category

(a) The carrying value and fair value of financial instruments at the end of 30th September 2021 is as under:

Note No.								(Figures in INR Lakhs.)
35.1	Particulars	(Refer Note No. to the financial statements)	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 30 September 2021	Total Fair Value
	(1) ASSETS							
	Non-current financial assets							
	(i) Other financial assets	3	49.37	49.37	-	-	49.37	49.37
	Current financial assets							
	(i) Trade receivables	6	2,257.46	2,257.46	-	-	2,257.46	2,257.46
	(ii) Cash and cash equivalents	7(a)	5.41	5.41	-	-	5.41	5.41
	(iii) Bank balances other than (ii) above	7(b)	28.80	28.80	-	-	28.80	28.80
	(iv) Other financial assets	8	6.56	6.56	-	-	6.56	6.56
	Total financial assets		**2,347.59**	**2,347.59**	**-**	**-**	**2,347.59**	**2,347.59**
	(2) LIABILITIES							
	Non-current financial liabilities							
	(i) Borrowings	12	2,843.96	2,843.96	-	-	2,843.96	2,843.96
	Current financial liabilities							
	(i) Borrowings	15	5,987.53	5,987.53	-	-	5,987.53	5,987.53
	(ii) Trade payables	16	1,003.56	1,003.56	-	-	1,003.56	1,003.56
	(iii) Other financial liabilities	17	599.01	599.01	-	-	599.01	599.01
	Total financial liabilities		**10,434.06**	**10,434.06**	**-**	**-**	**10,434.06**	**10,434.06**

(b) The carrying value and fair value of financial instruments at the end of 31 March 2021 is as under:

35.1	Particulars	(Refer Note No. to the financial statements)	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2021	Total Fair Value
	(1) ASSETS							
	Non-current financial assets							
	(i) Other financial assets	3	49.06	49.06	-	-	49.06	49.06
	Current financial assets							
	(i) Trade receivables	6	1,962.91	1,962.91	-	-	1,962.91	1,962.91
	(ii) Cash and cash equivalents	7(a)	71.75	71.75	-	-	71.75	71.75
	(iii) Bank balances other than (ii) above	7(b)	16.24	16.24	-	-	16.24	16.24
	(iv) Other financial assets	8	5.42	5.42	-	-	5.42	5.42
	Total financial assets		**2,105.38**	**2,105.38**	**-**	**-**	**2,105.38**	**2,105.38**
	(2) LIABILITIES							
	Non-current financial liabilities							
	(i) Borrowings	12	3,394.40	3,394.40			3,394.40	3,394.40
	Current financial liabilities							
	(i) Borrowings	15	4,623.08	4,623.08			4,623.08	4,623.08
	(ii) Trade payables	16	429.93	429.93			429.93	429.93
	(iii) Other financial liabilities	17	968.05	968.05			968.05	968.05
	Total financial liabilities		**9,415.47**	**9,415.47**	**-**	**-**	**9,415.47**	**9,415.47**

(c) The carrying value and fair value of financial instruments at the end of 31 March 2020 is as under:

	Particulars	Note No.	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2020	Total Fair Value
	(1) ASSETS							
	Non-current financial assets							
	(i) Other financial assets	3	46.39	46.39			46.39	46.39
	Current financial assets							
	(i) Trade receivables	6	2,277.60	2,277.60			2,277.60	2,277.60
	(ii) Cash and cash equivalents	7(a)	166.82	166.82			166.82	166.82
	(iii) Bank balances other than (ii) above	7(b)	-	-			-	-
	(iv) Other financial assets	8	1.72	1.72			1.72	1.72
	Total financial assets		**2,492.54**	**2,492.54**	**-**	**-**	**2,492.54**	**2,492.54**
	(2) LIABILITIES							
	Non-current financial liabilities							
	(i) Borrowings	12	2,717.15	2,717.15			2,717.15	2,717.15
	Current financial liabilities							
	(i) Borrowings	15	4,099.43	4,099.43			4,099.43	4,099.43
	(ii) Trade payables	16	1,492.72	1,492.72			1,492.72	1,492.72
	(iii) Other financial liabilities	17	262.36	262.36			262.36	262.36
	Total financial liabilities		**8,571.65**	**8,571.65**	**-**	**-**	**8,571.65**	**8,571.65**

(d) The carrying value and fair value of financial instruments as at 31 March 2019 is as under:

Particulars	Note No.	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2019	Total Fair Value
(1) ASSETS							
Non-current financial assets							
(i) Other financial assets	3	2.39	2.39	-	-	2.39	2.39
Current financial assets							
(i) Trade receivables	6	1,048.58	1,048.58	-	-	1,048.58	1,048.58
(ii) Cash and cash equivalents	7(a)	397.99	397.99	-	-	397.99	397.99
(iii) Bank balances other than (ii) above	7(b)	-	-	-	-	-	-
(iv) Other financial assets	8	15.79	15.79	-	-	15.79	15.79
Total financial assets		**1,464.75**	**1,464.75**	**-**	**-**	**1,464.75**	**1,464.75**
(2) LIABILITIES							
Non-current financial liabilities							
(i) Borrowings	12	3,163.15	3,163.15	-	-	3,163.15	3,163.15
Current financial liabilities							
(i) Borrowings	15	2,418.90	2,418.90	-	-	2,418.90	2,418.90
(ii) Trade payables	16	770.78	770.78	-	-	770.78	770.78
(iii) Other financial liabilities	17	96.35	96.35	-	-	96.35	96.35
Total financial liabilities		**6,449.18**	**6,449.18**	**-**	**-**	**6,449.18**	**6,449.18**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.
The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

35.2 Fair Value Measurement

(i) **Fair Value hierarchy**

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Note 36 **(Figures in INR Lakhs.)**

I. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company’s activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

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, and arises principally from the Company’s receivables from customers and other receivables.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

Trade and other receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company’s standard payment and delivery terms and conditions are offered. The Company’s review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The gross carrying amount of trade receivables

	During the period, the Company has made no write-offs of trade receivables, as it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment					
	A default on a financial asset is when counterparty fails to make payments within 60 days when they fall due.					
	Reconciliation of loss allowance provision – Trade receivables					
	Opening balance	-	-	-	-	-
	Changes in loss allowance	-	-	-	-	-
	Closing balance	-	-	-	-	-
	iii. 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					
	Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.					
	Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through corporate office of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.					

(a) Financing arrangements

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
The company had access to the following undrawn borrowing facilities at the end of the reporting period:				
Floating rate	(RLLR + 2.80%)	(RLLR + 2.80%)	(MCLR + 2.70%)	(MCLR + 2.70%)
Expiring within one year (bank overdraft and other facilities)	5,639.33	4,274.88	3,898.65	2,418.90
Expiring beyond one year (bank loans)	2,592.30	3,197.24	1,854.18	1,976.70

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

	Carrying Amounts 30 September 2021	Contractual cash flows			
Particulars		Total	Less than 1 year	1–5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	2,843.96	2,843.96	-	2,843.96	
Short term borrowings	5,987.53	5,987.53	5,987.53	-	
Trade payables	1,003.56	1,003.56	1,003.56	-	
Other current financial liabilities	599.01	599.01	599.01	-	
Total non-derivative liabilities	**10,434.06**	**10,434.06**	**7,590.10**	**2,843.96**	**-**

	Carrying Amounts 31 March 2021	Contractual cash flows			
Particulars		Total	Less than 1 year	1–5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	3,394.40	3,394.40	-	3,394.40	
Short term borrowings	4,623.08	4,623.08	4,623.08		
Trade payables	429.93	429.93	429.93		
Other current financial liabilities	968.05	968.05	968.05		
Total non-derivative liabilities	**9,415.47**	**9,415.47**	**6,021.07**	**3,394.40**	**-**

	Carrying Amounts 31 March 2020	Contractual cash flows			
Particulars		Total	Less than 1 year	1–5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	2,717.15	2,717.15	-	2,717.15	
Short term borrowings	4,099.43	4,099.43	4,099.43		
Trade payables	1,492.72	1,492.72	1,492.72		
Other current financial liabilities	262.36	262.36	262.36		
Total non-derivative liabilities	**8,571.65**	**8,571.65**	**5,854.50**	**2,717.15**	**-**

Particulars	Carrying Amounts 31 March 2019	Contractual cash flows			
		Total	Less than 1 year	1–5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	3,163.15	3,163.15	-	3,163.15	
Short term borrowings	2,418.90	2,418.90	2,418.90		
Trade payables	770.78	770.78	770.78		
Other current financial liabilities	96.35	96.35	96.35		
Total non-derivative liabilities	**6,449.18**	**6,449.18**	**3,286.03**	**3,163.15**	**-**

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company uses derivatives like forward contracts as and when required to manage market risks on account of foreign exchange.

Currency risk

The Company does not have any currency risk as there are no foreign currency transactions entered in to by the company

Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the periods ended 30th September 2021 and the years ended 31 March 2021, 31 March 2020 and 31 March 2019, the Company's borrowings at variable rate were denominated in Rs.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

		Nominal Amount			
		30-Sep-21	**31-Mar-21**	**31-Mar-20**	**31-Mar-19**
Fixed-rate instruments					
Financial assets		-	-	-	-
Financial liabilities		34.36	42.18	60.11	44.57
			-	-	-
Variable-rate instruments					
Financial assets			-	-	-
Financial liabilities		8,197.27	7,429.94	5,692.72	4,351.03
			-	-	-

			30-Sep-21		
Bank loan			**Interest Expense**	**Balance**	**% of total loans**
			388.14	8,231.63	93.21%

			31-Mar-21		
Bank loan			**Interest Expense**	**Balance**	**% of total loans**
			696.13	7,472.12	93.20%

			31-Mar-20		
Bank loan			**Interest Expense**	**Balance**	**% of total loans**
			678.75	5,752.83	84.39%

			31-Mar-19		

Bank loan			Interest Expense	Balance	% of total loans
			322.18	4,395.60	78.75%

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

		Profit or loss		Equity, net of tax	
		50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
30-Sep-21		9.42%	9.42%		
Variable-rate instruments		-20.49	20.49		
Cash flow sensitivity					
31-Mar-21		9.30%	9.30%		
Variable-rate instruments		-37.15	37.15		
Cash flow sensitivity					
31-Mar-20		11.82%	11.82%		
Variable-rate instruments		-28.46	28.46		
Cash flow sensitivity					

Fair value sensitivity analysis for fixed-rate instruments

There is no foreign currency exposure	

Note no 37 - Disclosure pursuant to Ind AS 1 ”Presentation of financial statements“:	**(Figures in INR Lakhs.)**

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Sr. No.	Particulars	Note No	As at 31st March 2021			As at 31st March 2020			As at 31st March 2019		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Inventories	5	8,008.00	-	8,008.00	5,953.49	-	5,953.49	3,901.19	-	3,901.19
2	Trade receivables	6	1,962.91	-	1,962.91	2,277.60	-	2,277.60	1,048.58	-	1,048.58
3	Other financial assets	8	5.42	-	5.42	1.72	-	1.72	15.79	-	15.79
4	Other current assets	9	501.91	-	501.91	542.11	-	542.11	664.37	-	664.37

For the interim period reported

Sr. No.	Particulars	Note No	As at 30th September 2021		
			Within twelve months	After twelve months	Total
1	Inventories	5	10,319.29	-	10,319.29
2	Trade receivables	6	2,257.46	-	2,257.46
3	Other financial assets	8	6.56	-	6.56
4	Other current assets	9	505.01	-	505.01

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

Sr. No.	Particulars	Note No	As at 31st March 2021			As at 31st March 2020			As at 31st March 2020		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Trade payables:										
	Due to micro enterprises and small enterprises		-	-	-	-	-	-	-	-	-
	Due to others	16	429.93	-	429.93	1,492.72	-	1,492.72	770.78	-	770.78
2	Other financial liabilities	17	968.05	-	968.05	262.36	-	262.36	96.35	-	96.35
3	Other current liabilities	18	265.81	-	265.81	172.75	-	172.75	38.64	-	38.64
4	Provisions	19	0.19	-	0.19	2.11	-	2.11	9.86	-	9.86

For the interim period reported

Sr. No.	Particulars	Note No	As at 30th September 2021		
			Within twelve months	After twelve months	Total
1	Trade payables:				
	Due to micro enterprises and small enterprises		-	-	-
	Due to others	16	1,003.56	-	1,003.56
2	Other financial liabilities	17	599.01	-	599.01
3	Other current liabilities	18	314.75	-	314.75
4	Provisions	19	1.94	-	1.94

38	Value of financial assets and inventories hypothecated as collateral for liabilities and/or commitments and/or contingent liabilities: (Figures in Rs. Lakh)				
	Particulars	**As at 30th September 2021**	**As at 31st March 2021**	**As at 31st March 2020**	**As at 31st March 2019**
	Current:				
	Inventories and trade receivables	12,576.74	9,970.91	8,231.09	4,949.77
	Cash and cash equivalents	5.41	71.75	166.82	397.99
	Other assets	511.56	507.33	543.83	680.16
	Total inventories and current financial assets hypothecated as collateral	13,093.72	10,549.99	8,941.75	6,027.92
	Non-current:				
	Fixed Deposits	48.95	48.64	45.97	1.97
	Total non-current financial assets hypothecated as collateral	48.95	48.64	45.97	1.97

39	Initial Public Offering (IPO)
	The Board of Directors (Board) of the Company in their board meeting dated 18 September 2021 has approved raising of capital for the Company through an Initial Public Offering (IPO). As part of its proposed IPO, the Company has filed Draft Red Hearing Prospectus (DRHP) on 20 September 2021 and plans to file Red Hearing Prospectus (RHP) with the Securities Exchange Board of India (SEBI) in due course.

Additional Information required by Schedule III of the Companies Act, 2013

40	Ratios analysis and its Element		(Figures in INR Lakhs.)	

i) Current Ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Current Assets	13,122.51	10,566.23	8,941.75	6,027.92
Current Liabilities	8,299.48	6,521.65	6,182.00	3,456.38
Ratio	**1.58**	**1.62**	**1.45**	**1.74**
% Change from previous period/year	**-2.41%**	**12.01%**	**-17.06%**	

ii) Debt-Equity Ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Total Debts				
Borrowings - Financial Liability(secured - Term loan)	2,592.30	3,197.24	1,854.18	1,976.70
Borrowings - Financial Liability(unsecured)	251.66	197.16	862.97	1,186.45
Borrowings - Current Liability (Current maturities of Terms loan)	1,486.72	1,426.91	848.85	539.60
Borrowings - Current Liability (Other Loan)	4,500.82	3,196.17	3,250.57	1,879.30
Total Borrowings	8,831.49	8,017.49	6,816.58	5,582.05
(b) Total Equity	8,372.17	7,078.94	4,829.89	3,609.03
Debt-Equity Ratio = (a/b)	**1.05**	**1.13**	**1.41**	**1.55**
% Change from previous period/year	**-6.86%**	**-19.75%**	**-8.75%**	

iii) Debt Service Coverage Ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Earnings available for debt services				
Profit After Tax	1,286.90	1,513.20	790.83	802.00
Finance costs	417.11	751.21	737.07	354.63
Depreciation and amortisation expenses	398.30	625.77	516.37	215.43
Total earnings available for debt services	2,102.31	2,890.17	2,044.27	1,372.06
(b) Interest and principal repayments				
Finance Costs	417.11	751.21	737.07	354.63
Repayment of Long term Debt for the current year	548.49	464.16	547.20	95.04
Total interest and principal repayments	965.60	1,215.37	1,284.27	449.67
Debt Service Coverage Ratio = (a/b)	**2.18**	**2.38**	**1.59**	**3.05**
% Change from previous period/year	**-8.44%**	**49.39%**	**-47.83%**	

Reason for change more than 25%

The ratio has increased from 1.59 in March 2020 to 2.38 in March 2021 because of implementation of moratorium period resulting in no repayment of principal component

The ratio has decreased from 3.05 in March 2019 to 1.59 in March 2020 because of increase in the loan amount

iv) Inventory turnover ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Cost of goods sold*				
Cost of materials consumed	15,054.41	18,031.70	10,953.19	8,409.38
Changes in inventories of finished goods	(1,522.91)	(745.78)	(1,887.28)	5.88
Total cost of goods sold	13,531.50	17,285.92	9,065.91	8,415.26
(b) Average inventories				
Opening inventories	8,008.00	5,953.49	3,901.19	3,211.10
Closing inventories	10,319.29	8,008.00	5,953.49	3,901.19
Average inventories	9,163.65	6,980.75	4,927.34	3,556.15
Inventory turnover ratio = (a/b)	**1.48**	**2.48**	**1.84**	**2.37**
% Change from previous period/year	**-40.37%**	**34.58%**	**-22.25%**	

*Cost of goods sold for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

The ratio has decreased from 2.48 in March 2021 to 1.48 in September 2021 because in the current fiscal year we are dealing in value added products which is end consumer products having 200+ different size and thickness. Being a manufacturer to maintain the range, the holding levels of Finished goods (MS Tubes) are high compared to March-21
The ratio has increased from 1.84 in March 2020 to 2.48 in March 2021. This is mainly due to increase in sales and corresponding increase in cost of goods sold.

v) Trade payables turnover ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Credit purchases*				
Purchases raw material	17,762.70	18,220.50	10,145.94	8,427.92
Purchase store and spares	1,271.45	1,335.86	972.27	677.43
Total credit purchases	19,034.15	19,556.36	11,118.21	9,105.35
(b) Average trade payables				
Opening trade payables	1,003.56	429.93	1,492.72	770.78
Closing trade payables	429.93	1,492.72	770.78	506.63
Average trade payables	716.75	961.33	1,131.75	638.70
Trade payables turnover ratio = (a/b)	**26.56**	**20.34**	**9.82**	**14.26**
% Change from previous period/year	**30.54%**	**107.08%**	**-31.09%**	

* Credit purchase for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

The ratio has decreased from 20.34 in March 2021 to 26.56 in September 2021 mainly due to increase in credit period with the supplier
The ratio has increased from 9.82 in March 2020 to 20.34 in March 2021 mainly due to generations of higher operating cash flows as a result of increase in revenue from operations used for liquidation of trade payables

The ratio has decreased from 14.26 in March 2019 to 9.82 in March 2020 due to higher purchased made during the year

vi) Trade Receivables turnover ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Credit sales*	20,087.10	25,413.89	16,077.69	13,359.61
(b) Average trade receivables				
Opening trade receivables	1,962.91	2,277.60	1,048.58	1,031.63
Closing trade receivables	2,257.46	1,962.91	2,277.60	1,048.58
Average trade receivables	2,110.18	2,120.25	1,663.09	1,040.10
Trade receivable turnover ratio = (a/b)	**9.52**	**11.99**	**9.67**	**12.84**
% Change from previous period/year	**-20.58%**	**23.99%**	**-24.74%**	

* Credit sales for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

vii) Net capital turnover ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Sales*	20,087.10	25,413.89	16,077.69	13,359.61
(b) Net working capital				
Current assets (A)	13,122.51	10,566.23	8,941.75	6,027.92
Current liabilities (B)	8,299.48	6,521.65	6,182.00	3,456.38
Net working capital (C)= (A-B)	4,823.04	4,044.57	2,759.75	2,571.53
Net capital turnover ratio = (a/b)	**4.16**	**6.28**	**5.83**	**5.20**
% Change from previous period/year	**-33.72%**	**7.86%**	**12.14%**	

* Sales for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

The ratio has decreased from 6.28 in March 2021 to 4.16 in September 2021 because holding level of inventories is high due to dealing in value added products and increase in the credit period of the customers

viii) Net profit ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Net profit after tax*	1,286.90	1,513.20	790.83	802.00
(b) Sales	20,087.10	25,413.89	16,077.69	13,359.61
Net profit ratio = (a/b)	**6.41%**	**5.95%**	**4.92%**	**6.00%**
% Change from previous period/year	**7.60%**	**21.05%**	**-18.06%**	

* Net profit after tax for the six months period ended September 30, 2021 were not annualized.

ix) Return on Equity Ratio

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Net profit after tax*	1,286.90	1,513.20	790.83	802.00
(b) Total equity	8,372.17	7,078.94	4,829.89	3,609.03
Return on equity ratio = (a/b)	**15.37%**	**21.38%**	**16.37%**	**22.22%**
% Change from previous period/year	**-28.09%**	**30.55%**	**-26.32%**	

*Profit after tax for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

The ratio has decreased from 21.38% in March 2021 to 15.37% in September 2021 due to increase in equity and corresponding decrease in Earnings before interest and taxes (EBIT)

The ratio has increased from 16.37% in March 2020 to 21.38% in March 2021 due to increase in Earnings before interest and taxes (EBIT)
The ratio has decreased from 22.22% in March 2019 to 16.37% in March 2020 due to decrease in Earnings before interest and taxes (EBIT)

x) Return on capital employed

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) EBIT				
Net profit after tax* (A)	1,286.90	1,513.20	790.83	802.00
Finance costs* (B)	417.11	751.21	737.07	354.63
Total tax expense* (C)	483.72	606.54	341.64	362.79
Total EBIT (A)+(B)+(C)	2,187.73	2,870.95	1,869.54	1,519.42

(b) Capital Employed (G)=(E)-(F)				
Total equity (D)	8,372.17	7,078.94	4,829.89	3,609.03
Borrowings - Financial liability(Secured - Term loan)	2,592.30	3,197.24	1,854.18	1,976.70
Borrowings - Financial liability(Unsecured)	251.66	197.16	862.97	1,186.45
Total borrowings (E)	2,843.96	3,394.40	2,717.15	3,163.15
Total capital employed (D)+(E)	11,216.12	10,473.35	7,547.04	6,772.18
Return on Capital employed =(a/b)	**19.51%**	**27.41%**	**24.77%**	**22.44%**
% Change from previous period/year	**-28.84%**	**10.66%**	**10.41%**	

* Amount for the six months period ended September 30, 2021 were not annualized.

Reason for change more than 25%

The ratio has decreased from 27.41% in March 2021 to 19.51% in September 2021 due to decrease in borrowings

xi) Return on investment

Particulars	As at 30th September 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
(a) Total income				
Profit before tax * (1 - tax rate) (A)	1,324.99	1,502.47	802.70	825.60
Finance costs * (1 - tax rate) (B)	312.13	532.46	522.44	251.36
Total income (C) = (A)+(B)	1,637.12	2,034.93	1,325.13	1,076.97
(b) Total assets	19,881.96	17,374.03	13,967.72	10,335.11
Return on investment = (a/b)	**8.23%**	**11.71%**	**9.49%**	**10.42%**
% Change from previous period/year	**-29.70%**	**23.46%**	**-8.96%**	

Reason for change more than 25%

The ratio has decreased from 11.71% in March 2021 to 8.23% in September 2021 due to increase in total assets of the company and decrease in return.

41 Material Adjustments to Restated Ind AS Summary Statements and notes thereon **(Figures in INR Lakhs.)**

Restated Ind AS Summary Statement of Profit and Loss	For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
Net Profit / Total Comprehensive Income as per Audited Financial Statement	1,287.82	1,515.67	836.48	821.62
IND AS Adjustment:				
Adjustment of IND AS 32	-	-	38.27	22.11
Adjustment of IND AS 19	-	-	1.01	-
Total profit / Total Comprehensive income as per restated Ind AS	**1,287.82**	**1,515.67**	**797.20**	**799.51**

1) Financial Instruments:
Presentation (IND AS 32):
The finance costs of financial instruments classified as Preference shares were not recognised under INGAAP. The Ind AS requires the classification of compound financial instruments into equity and debt components and account the finance costs of debt component.

2) Employee Benefits:
Presentation (IND AS 19):
Post-employment benefits related to gratuity (gain/loss), computed as per IND AS 19.

Restated Ind AS Summary Statement of Tax Expenses	For the period ended 30th September 2021	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019
Tax Expenses as per Audited Financial Statement	483.72	606.54	343.08	361.76
IND AS Adjustment:				
Tax Expenses on Total Comprehensive Income	-	-	2.45	(1.03)
Adjustment of IND AS 19	-	-	1.01	-
Total Tax Expenses as per restated Ind AS	**483.72**	**606.54**	**341.64**	**362.79**

Statement of Equity Reconciliation to Restated Ind AS Summary Statement				
Balance of Equity as per Audited Financial Statements	8,372.17	7,078.94	5,354.09	4,087.41
IND AS Adjustment:				
Adjustment of IND AS 32	-	-	524.19	478.38
Balance of Equity as per restated Ind AS	**8,372.17**	**7,078.94**	**4,829.89**	**3,609.03**

1) Financial Instruments: Presentation (IND AS 32):

In accordance with IND AS, the Preference share capital to be classified as Debt or Equity instrument according to the nature of compound financial instrument. Accordingly, preference share have been reclassified under debt or equity component and the company has accounted the finance costs of debt component.

42	Set forth below are the details of accounting ratios as of 30th September, 2021, 30th September 2020, 31st March, 2021, 31st March, 2020 and 31st March, 2019 calculated on the basis of the Restated Ind AS Summary Statements:				
42.1	**Particulars**	**As at 30th September 2021**	**As at 31st March 2021**	**As at 31st March 2020**	**As at 31st March 2019**
	Net worth attributable to equity shareholders	8,372.17	7,078.94	4,829.89	3,609.03
	Profit/(loss) for the period/year	1,286.90	1,513.20	790.83	802.00
	Weighted average number of ordinary shares outstanding during the period /year:				
	- For basic earnings per Equity Share (No. of Shares)	85,10,412	1,42,16,537	1,32,33,430	1,09,32,056
	- For diluted earnings per Equity Share (No. of Shares)	85,10,412	1,54,40,551	1,33,39,975	1,09,32,056
	Number of Equity Shares Outstanding	1,69,76,204	1,69,61,204	1,32,33,430	1,32,33,430
	Accounting Ratios:				
	- Basic and diluted earnings per share				
	- Restated basic earnings per share having face value of Rs 10 each (in Rs.)	15.12	10.64	5.98	7.34
	- Restated Diluted earnings per share having face value of Rs 10 each (in Rs.)	15.12	9.80	5.93	7.34
	- Return on Net Worth	15.37%	21.38%	16.37%	22.22%
	- Net asset value per Equity Share (basic) (in Rs.)	49.19	49.79	36.50	33.01
	- Net asset value per Equity Share (diluted) (in Rs.)	49.19	45.85	36.21	33.01
	- EBITDA	2,586.03	3,496.72	2,385.91	1,734.85
42.2	**CAPITALISATION STATEMENT**				
	Total borrowings				
	Current borrowings (A)	4,500.82	3,196.17	3,250.57	1,879.30
	Non-current borrowings (including current maturities of long-term borrowings) (B)	4,330.68	4,821.32	3,566.00	3,702.75
	Total borrowings (C) [A+B]	**8,831.49**	**8,017.49**	**6,816.58**	**5,582.05**
	Total Equity				
	Equity Share Capital	1,697.62	1,696.12	1,323.34	1,323.34
	Instruments entirely equity in nature	94.64	94.64	703.26	200.19
	Other equity	6,579.91	5,288.18	2,803.29	2,085.50
	Total Equity (D)	**8,372.17**	**7,078.94**	**4,829.89**	**3,609.03**
	Total non-current borrowings (including current maturities of long-term borrowings)/Total Equity (B)/(D)	**0.52**	**0.68**	**0.74**	**1.03**
	Total Borrowings / Total Equity (C) / (D)	**1.05**	**1.13**	**1.41**	**1.55**
42.3	**FINANCIAL INDEBTEDNESS**				
	Working capital facilities				
	Secured:				
	Fund based	4,500.82	3,196.17	3,250.57	1,879.30
	Non Fund based	1.31	5.31	4.82	1.31

Unsecured:				
Fund based	251.66	197.16	540.56	708.07
Compound Financial Instruments	348.20	348.20	523.18	478.38
Total Working Capital Facilities (A)	**4,752.48**	**3,393.33**	**3,791.14**	**2,587.38**
Term Loan Facilities :				
Secured Term Loans (B)	3,692.41	4,228.67	2,435.90	2,463.68
Vehicle Loans (C)	38.40	47.29	66.36	52.62
Total Borrowings (A+B+C)	**8,483.29**	**7,669.29**	**6,293.40**	**5,103.67**

As per our report of even date annexed hereto.
FOR RAKESH S JAIN & ASSOCIATES

Chartered Accountants
Firm Registration No: 010129S

Pankaj Chandak
(Partner)

Membership No: 229355

UDIN : 22229355AAXHQS7250
Place: Hyderabad
Date : 01/02/2022

FOR R KABRA & CO. LLP
Chartered Accountants
Firm Registration No: 104502W/W100721

Ram Swaroop Gajadhar Verma

(Partner)
Membership No: 038913
UDIN : 22038913AAXHUO4941
Place : Mumbai
Date : 01/02/2022

On behalf of the Board

HARIOM PIPE INDUSTRIES LIMITED
(Formerly Hariom Concast & Steels (Pvt.) Ltd.)

Rupesh Kumar Gupta
(Managing Director)
DIN 00540787

Sailesh Gupta
(Whole Time Director)
DIN 00540862

Amitabha Bhattacharya
Chief Financial Officer

Chirag Partani
Company Secretary
Membership No: A51269

Place: Hyderabad
Date : 01/02/2022

CAPITALIZATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2021, on the basis of our Restated Financial Statements:

(in ₹ lakhs)

Particulars	Pre-Issue as at September 30, 2021	As adjusted for the Issue*
Borrowings:		
Current borrowings **(A)**	4,500.82	[●]
Non-Current borrowings (including current maturities of long-term borrowings) **(B)**	4,330.68	[●]
Total Borrowings (C = A + B)	**8,831.49**	[●]
Total Equity		
Equity Share capital	1,697.62	[●]
Instruments entirely equity in nature	94.64	[●]
Other Equity	6,579.91	[●]
Total Equity (D)	**8,372.17**	[●]
Total Non-Current borrowings (including current maturities of long-term borrowings) / Total Equity (B) / (D)	0.52	[●]
Total Borrowings / Total Equity (C) / (D)#	1.05	[●]

**The corresponding post Issue capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Issue Price.*

#Debt-Equity Ratio shall mean total borrowings divided by total equity.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We have included in this section a discussion of our financial statements on a restated basis. You should read the following discussion in conjunction with our Restated Financial Information for six months period ended September 30, 2021 and for the financial years ended March 31, 2021, 2020 and 2019 including the related notes, schedules and annexures, included in this Red Herring Prospectus.

This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 15. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22 and 263, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

*The Restated Financial Information included in this Red Herring Prospectus are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI (the "**Guidance Note**").*

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. In this section, unless the context otherwise requires, any reference to "our Company", "we", "us" or "our" is a reference to Hariom Pipe Industries Limited.

Unless stated otherwise, industry and market data used throughout this Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information including, in particular updated Company commissioned Marketysers Global Consulting Industry Report titled "India Steel & Steel Products Analysis & Forecast, 2026" dated February 10, 2022 prepared by Marketysers Global Consulting LLP.

OVERVIEW

Hariom is an integrated manufacturer of Mild Steel (MS) Pipes, Scaffolding, HR Strips, MS Billets, and Sponge Iron. We use iron ore to produce Sponge Iron which is then processed across various stages to manufacture our final products viz. MS Pipes and Scaffolding making our manufacturing process cost-effective.

We cater to the southern and western Indian markets for our products. Our MS Pipes are marketed and sold in these geographies under the brand name "Hariom Pipes". Substantial portion of the Sponge Iron, MS Billets and HR Strips produced by us are used for captive consumption in the manufacturing MS Pipes and Scaffolding.

We manufacture MS Pipes and Scaffoldings of more than one hundred fifty (150) different specifications and cater, directly and indirectly, to customer requirements in various sectors such as housing, infrastructure, agriculture, automotive, power, cement, mining, solar power and engineering.

Our integrated plant at Mahabubnagar District in Telangana (Unit I) manufactures finished steel products from iron scrap and Sponge Iron and our other plant at Anantapur District, Andhra Pradesh (Unit II) exclusively manufactures Sponge Iron. Unit II is located near Bellary, which is one of the hubs in South India for iron ore production. The iron ore required to produce Sponge Iron at Unit II is mostly procured through the online bidding process. Most of the Sponge Iron produced at the Unit II is transported to the Unit I and used as a raw material for manufacturing MS Billets, HR Strips, MS Pipes and Scaffolding. The manufacturing of Sponge Iron at our Unit II has reduced our dependence on external sources for raw materials since its acquisition in September, 2020. The integration of Unit I & II has optimized our operations and profitability through backward integration which helps with efficient logistics, inventory management, procurement, energy savings and quality control.

PRESENTATION OF FINANCIAL INFORMATION

The Company's restated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs under section 133 of the Companies Act 2013 ("the Act"). In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India ("ICAI") are also applied except where compliance with other statutory promulgations require a different treatment. The financials for six months period ended September 30, 2021 and for the financial year ended 31st March, 2021 of our Company are the Restated financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is 1st April, 2019. The financial statements up to the year ended 31st March, 2020, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("I-GAAP") and other relevant provisions of the Act. The figures for the year ended 31st March, 2020 and the year ended 31st March 2019 have now been restated as per Ind AS to provide comparability. These financials statements have been approved for issue by the Board of Directors at their meeting held on February 1, 2022.

Ind AS 101 allows first time adopters certain exemptions and certain optional exceptions from the retrospective application of certain requirements under Ind AS as follows:

Exemptions applied (as Applicable)

A. Exemptions applied (as Applicable)

(a) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all its property, plant and equipment at their Previous GAAP carrying value opening balance as on 1st April, 2018 are deemed as costs.

(b) Designation of previously recognized financial instruments

Financial assets and financial liabilities are classified at fair value through profit or loss or amortized cost as applicable based on facts and circumstances as at the date of transition to Ind AS. Financial assets and liabilities are recognized at fair value or amortized cost as at the date of transition to Ind AS and not from the date of initial recognition.

B. Mandatory Exceptions

The Company has adopted all relevant mandatory exceptions as set out in Ind AS 101, which are as below:

Estimates

The estimates as at 1st April, 2019, are consistent with those made for the same dates in accordance with Indian GAAP except impairment of financial assets based on expected credit loss model. The estimates used by the Company to present the sea mounts in accordance with Ind AS reflect conditions at 1st April, 2019, the date of transition to Ind AS and as of 31st March, 2020.

(a) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) based on the facts and circumstances that exist at the date of transition to Ind AS.

(b) Derecognition of financial assets and financial Liabilities

As set out in Ind AS 101, the Company has applied the derecognition requirements of Ind AS 109 prospectively for transactions appearing on or after the date of transition to Ind AS.

(c) Impairment of financial assets

The Company has applied, exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognized and compared that to the credit risk at the beginning of the restated financial statement.

Recent accounting developments

(a) The Ministry of Corporate Affairs (MCA) has not notified any new Ind AS or amendment to existing Ind AS which would be applicable to Company from April 1, 2021.

(b) MCA has notified certain additional amendments in Schedule III, Division II relating to disclosure requirements in the Restated financial statements, effective from April 1, 2021. These being in the nature of disclosures, there will be no impact in accounting.

(c) The Code on Wages, 2019 and the Code on Social Security, 2020 have been enacted, however, the effective date from which changes are applicable are yet to be notified. The impact of the same would be given in the Restated financial statements in the period in which the Codes become effective and the Rules/Schemes thereunder are notified.

NON-GAAP MEASURES

EBITDA and EBITDA Margin, presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA and EBITDA Margin are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ 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, IFRS or US GAAP. In addition, EBITDA and EBITDA Margin, are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such 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 as they are widely used measures to evaluate a company's operating performance.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Economic conditions in the markets in which we operate

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India. Any change in macro-economic conditions in these markets, including changes in interest rates, government policies or taxation and political, economic or other developments could affect our business and results of operations. The iron and steel market in India may perform differently and be subject to market and regulatory developments that are dissimilar to the markets in other parts of the world. While stronger macro-economic conditions tend to result into higher demand for our products, weaker macro-economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial condition.

Relationship with key customers

We have historically derived, and may continue to derive, a significant portion of our income from our top 10 customers. In six months period ended September 30, 2021 and in Fiscals 2021 and 2020, our top 10 customers represented 62.37%, 60.74% and 49.78%, respectively, of our total revenues from operations in such periods. While our largest customer represented 24.18%, 24.46% and 19.51%, of our total revenues from operations in six months period ended September 30, 2021 and in Fiscal 2021 and Fiscal 2020, respectively. Any reduction in orders from our top ten customers would adversely affect our income. The demand from our key customers, in particular our top 10 customers, determines our revenue levels and results of operations, and our sales are directly affected by the production and inventory levels of our customers. Our customers in turn are dependent on demand from their customers as well as general trends in the global iron & steel industry and construction and infrastructure industry. Over the years, we have developed strong relationships with a number of domestic corporations through which we have been able to expand our product offerings and also our geographic reach. Our business depends on the continuity of our arrangements with these customers. Our sales to such customers are typically conducted on the basis of purchase orders that they place with us from time to time.

Competitive Pricing of Products and Availability and Cost of Raw Materials

Our ability to maintain cost competitiveness in our products is important for our business and is dependent on efficient management of our production costs. Our Company is able to face competition from other industry players effectively as its products are a result of backward integration which leads up to the Sponge Iron stage of manufacturing. Backward integration has its owns cost and savings advantages which our competitors may be lacking giving us a competitive advantage as to price. Our cost of materials consumed constitutes the largest component of our cost structure. For six months period ended September 30, 2021 and for the financial years 2021, 2020 and 2019, our cost of raw materials consumed were 74.84%,70.76%, 67.97% and 62.80% of our total income, respectively. We currently source most of our key raw materials from vendors in India. As we continue to grow our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. We typically do not enter into long-term supply contracts with any of our vendors and instead place purchase orders with them from time to time. We are thus exposed to fluctuations in availability and prices of our raw materials, including on account of exchange rate fluctuations, and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may affect our margins, sales, results of operations and cash flows. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our manufacturing and sales volumes.

We seek to de-risk our operations by continuing to diversify our procurement base. In addition, we have invested and will continue to invest in backward integration of key starting materials to become more self-reliant and less dependent on our vendors for raw materials, as such dependence on vendors may sometimes impact our timely manufacture and delivery of products to our customers. As our endeavor for further backward integration, we have in FY 2020 acquired Sponge Iron Unit situated at, Anantapur, Andhra Pradesh, with a Capacity of 36,000 MTPA. This unit is located near Bellary, which is one of the leading hubs for iron ore production in India.

Government approvals, licenses, regulations and policies

We require certain approvals, licenses, registrations and permissions for our operations. For further details, please refer to section titled "*Government and Other Approvals*" beginning on page 287 of this Red Herring Prospectus. While we believe we will be able to obtain, maintain and renew such approvals or permits as required, there can be no assurance that we can do so in the timeframes anticipated by us, or at all. If we fail to obtain, maintain or renew any of these approvals or permits in a timely manner or at all, our operations and expansion plans may be interrupted, which could adversely affect our growth strategy, business and results of operations. Furthermore, our approvals and permits are subject to numerous conditions, some of which are onerous and require us to make substantial expenditures. If we fail to comply or a regulator alleges that we have not complied with these conditions, our business and results of operations could be adversely affected.

Capacity utilization and operating efficiencies

Our aggregate installed capacity and capacity utilisation is as under:

Details of manufacturing unit	**Particulars**	**Fiscal**			**For six months period ended September 30, 2021**
		2019	**2020**	**2021**	
Unit I – Mahbubnagar					
Induction Furnace	Installed Capacity (in MTPA)	37,200	95,832	95,832	47,916[#]
	Capacity Utilized (in MTPA)	31,000	46,276	44,788	35,727
	Utilized Capacity (in %)	83.33%	48.29%	46.74%	74.56%
Rolling Mill	Installed Capacity (in MTPA)	24,000	84,000	84,000	42,000[#]
	Capacity Utilized (in MTPA)	20,771	34,280	43,546	32,231
	Utilized Capacity (in %)	86.55%	40.81%	51.84%	76.74%
Piping Mill	Installed Capacity (in MTPA)	20,000	84,000	84,000	42,000[#]
	Capacity Utilized (in MTPA)	18,282	24,183	29,303	22,437
	Utilized Capacity (%)	91.41%	28.79%	34.88%	53.42%
Scaffolding	Installed Capacity (in MTPA)	1,000	1,000	1,000	500[#]
	Capacity Utilized (in MTPA)	655	980	282	441
	Utilized Capacity (%)	65.50%	98.00%	28.20%	88.20%
Unit II – Anantapur					
Sponge Iron	Installed Capacity (in MTPA)	0.00	0.00	36,000	18,000[#]
	Capacity Utilized (in MTPA)	0.00	0.00	22,578	14,159
	Utilized Capacity (%)	0.00%	0.00%	62.72%	78.66%

**As per certificate dated February 10, 2022 issued by M/s. Maraya Engineering Consultants.*

#The installed capacity for six months period ended September 30, 2021 is not annualized

Higher capacity utilization results in greater production volumes and higher sales, and allows us to spread our fixed costs over a higher quantity of products sold, thereby increasing our profit margins. Our capacity utilization is affected by the product requirements of, and procurement practice followed by, our customers. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance. Consistent with past practice, we will look to add capacity in a phased manner to ensure that we utilize our capacity at optimal levels. We continuously focus on improving our operational efficiencies and reducing operating costs in order to improve our results of operations. We also focus on continuously upgrading the quality and functionality of our products and manufacturing processes addressing specific customer requirements and market segments and to improve operational efficiencies.

Competition

Iron and Steel being a vast and global industry, we face competition from various domestic and international players. Though being dominated by the large conglomerates, the industry is also unorganized and fragmented with many small and medium-sized companies and entities. Competition in our business is based on pricing, relationships with customers, product quality, customization and innovation. We face pricing pressures from companies that are able to produce the products at competitive costs and consequently, supply their products at cheaper prices. Certain of our competitors may have greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. We intend to continue competing vigorously to capture more market share and adding more management personnel to manage our growth in an optimal way.

SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Restated Statement of Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “*Restated Financial Statements*” on page 177.

RESULTS OF OPERATIONS

Description of the major components of revenue and expense items: -

Our total revenue consists of revenue from operations and other income.

Revenue

Revenue from Operations

- Revenue from operations comprised revenue generated from sale of products mainly MS pipes or tubes, scaffolding products and related accessories and fittings. We produce other products such as Sponge Iron, M.S. Billets and HR Skelps / strips. However these products are manufactured primarily for inhouse consumption and extra production being sold in the market.
- Revenue from sale of products comprised sale of manufactured goods. It consists of only domestic sales.

Other Income

Other Income comprised interest income (includes interest on fixed deposits with Banks, interest on delayed payments and other interest), foreign exchange fluctuation gain (net) and gain on settlement of compound financial instrument.

Expenses

Expenses comprised of Cost of materials consumed, Changes in inventories of finished goods, Stock-in-Trade, and work in-progress, Employee benefits expense, Finance costs, Depreciation and amortization expenses and Other expenses. Our largest amount of expenditure is on Cost of Materials consumed and power and fuel expenses.

Cost of Material Consumed

Cost of Material Consumed include value of inventory of raw material and stores and spares at the beginning of the period along with value of raw material and stores and spares purchased during the period less value of raw material and stores and spares at the end of period.

Changes in Inventories of Finished Goods and Work-in-Progress

Changes in inventories of finished goods and work-in-progress comprises of costs attributable to an increase or decrease in inventory levels during the relevant financial year/period in finished goods and work in progress.

Employee Benefits Expense

Employee Benefits Expense comprised of salary and wages contribution to provident funds/ employees state Insurance and others and staff welfare expenses .

Finance Cost

Finance Cost comprised interest on working capital facilities, term loans, Vehicle Loans, LC Commission, Interest on compound Financial Instruments and other finance cost.

Depreciation and Amortisation Expenses

Depreciation and Amortisation Expenses comprised depreciation on property, plant and equipment.

Other Expenses

Other expenses primarily comprises of Power & fuel, Communication Expenses, Other selling & Distribution expenses, Rent, Travelling and conveyance, Legal and professional charges, Job work charges, Repairs and Maintenance, Rates and taxes, Corporate social responsibility and Insurance.

Tax Expense

Our tax expense or credit for the period represents the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

RESULTS OF OPERATIONS

The following table sets forth selected financial data from the Restated Financial Statements, the components of which are also expressed as a percentage of total income for the periods indicated:

(*₹ in lakhs*)

Particulars	For six months period ended September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Income				
Revenue from Operations	**20,087.10**	**25,413.89**	**16,077.69**	**13,359.61**
Increase/Decrease (%)	-	58.07%	20.35%	
Other Income	**28.90**	**68.42**	**37.36**	**31.95**
Increase/Decrease (%)	-	83.13%	16.93%	
Total Income	**20,116.00**	**25,482.31**	**16,115.05**	**13,391.56**
Increase/Decrease (%)	-	58.13%	20.34%	
Expenditure				
Cost of materials consumed	**15,054.41**	**18,031.70**	**10,953.19**	**8,409.38**
Increase/Decrease (%)	-	64.63%	30.25%	
% to Total Income	74.84%	70.76%	67.97%	62.80%

Particulars	For six months period ended September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Changes in inventories of finished goods, Stock-in -Trade and work in-progress	**(1,522.91)**	**(745.78)**	**(1,887.28)**	**5.88**
Increase/Decrease (%)	-	(60.48%)	-(32,201.48%)	
% to Total Income	-7.57%	(2.93%)	(11.71%)	0.04%
Employee Benefit Expenses	**989.02**	**950.55**	**829.62**	**581.07**
Increase/Decrease (%)	-	14.58%	42.77%	
% to Total Income	4.92%	3.73%	5.15%	4.34%
Power and Fuel	**2,724.83**	**3,381.03**	**3,654.90**	**2,518.61**
Increase/Decrease (%)	**-**	**(7.49%)**	**45.12%**	**-**
% to Total Income	13.55%	13.27%	22.68%	18.81%
Other Expenses	**284.61**	**368.08**	**178.71**	**141.77**
Increase/Decrease (%)	-	105.96%	26.06%	-
% to Total Income	1.41%	1.44%	1.11%	1.06%
Total Expenses	**17,529.96**	**21,985.60**	**13,729.14**	**11,656.70**
Increase/Decrease (%)	-	60.14%	17.78%	-
% to Total Income	87.14%	86.28%	85.19%	87.05%
EBIDTA	**2,586.03**	**3,496.71**	**2,385.91**	**1,734.85**
Increase/Decrease (%)	-	46.56%	37.53%	-
% to Total Income	12.86%	13.72%	14.81%	12.95%
Finance Costs	**417.11**	**751.21**	**737.07**	**354.63**
Increase/Decrease (%)	-	1.92%	107.84%	
% to Total Income	2.07%	2.95%	4.57%	2.65%
Depreciation and Amortization Expense	**398.30**	**625.77**	**516.37**	**215.43**
Increase/Decrease (%)	-	21.19%	139.69%	-
% to Total Income	1.98%	2.46%	3.20%	1.61%
Profit before Taxation	**1,770.62**	**2,119.74**	**1,132.47**	**1,164.79**
Increase/Decrease (%)	-	87.18%	(2.77%)	-
% to Total Income	8.80%	8.32%	7.03%	8.70%
Tax Expenses	**483.72**	**606.54**	**341.64**	**362.79**
Increase/Decrease (%)	-	77.54%	(5.83%)	-
% to Total Income	2.40%	2.38%	2.12%	2.71%

Particulars	For six months period ended September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Profit After Tax	**1,286.90**	**1,513.20**	**790.83**	**802.00**
Increase/Decrease (%)	-	91.34%	(1.39%)	
% to Total Income	6.40%	5.94%	4.91%	5.99%

Six months period ended September 30, 2021

Revenue

Our revenue from operations were ₹ 20,087.10 lakhs in six months period September 30, 2021. This comprised of sale of products. Our revenue from operations are net of taxes and duties.

Our other income was ₹ 28.90 lakhs which primarily comprised of interest income of ₹28.76 lakhs and gain on foreign currency transaction (net) of ₹0.14 lakhs

Expenses

Our total expenses were ₹18,345.38 lakhs in six months period ended September 30, 2021. This was primarily attributable to the following

Cost of materials consumed

Cost of materials consumed was ₹15,054.41 lakhs in six months period ended September 30, 2021

Changes in Inventories of Finished Goods and Work-in-Progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress was ₹(1,522.91) lakhs in six months period ended September 30, 2021

Employee Benefits Expense

Our employee benefit expenses were ₹ 989.03 lakhs in six months period ended September 30, 2021

Finance Costs

Our finance cost was ₹ 417.11 lakhs in six months period ended September 30, 2021

Depreciation and Amortisation Expenses

Our depreciation and amortization expenses were ₹ 398.30 lakhs in six months period ended September 30, 2021

Power and Fuel

Our power and fuel expenses were ₹ 2,724.83 lakhs in six months period ended September 30, 2021

Other expenses

Our other expenses were ₹284.61 lakhs in six months period ended September 30, 2021 which primarily comprised of repairs and maintenance of ₹126.08 lakhs, fees and taxes ₹28.70 lakhs and legal and professional charges of ₹ 22.48 lakhs

Income tax expense

Total income tax expense was ₹83.72 lakhs for six months period ended September 30, 2021.

Restated profit for the period

Due to the factors discussed above our restated profit for the period was ₹1,286.90 lakhs.

Our EBIDTA for the period was ₹2,586.03 lakhs in six months period ended September 30, 2021.

FISCAL 2021 COMPARED TO FISCAL 2020

Revenue

Total income increased by 58.13% to ₹ 25,482.31 lakhs for Fiscal 2021 from ₹16115.05 lakhs for Fiscal 2020, primarily due to an increase in revenue from operations.

Revenue from Operations

Revenue from operations increased by 58.07% to ₹ 25,413.89 lakhs for Fiscal 2021 from ₹16,077.69 lakhs for Fiscal 2020 primarily due to increase in sales of manufacturing goods. Our revenue from operations comprises of revenue from sale of manufacturing products and net-off taxes, duties and internal stock transfer.

Other Income

Other income increased by 83.13% to ₹ 68.42 lakhs for Fiscal 2021 from ₹ 37.36 lakhs for Fiscal 2020. The increase was primarily due to Gain on Settlement of Compound Financial Instrument of ₹ 26.14 lakhs during Fiscal 2021 and also due to increase in interest income.

Expenses

Cost of materials consumed

Cost of materials consumed increased by 64.63% to ₹ 18,031.70 lakhs for Fiscal 2021 from ₹ 10,953.19 lakhs for Fiscal 2020. This increase was primarily a result of expenses incurred to purchase higher volumes of raw materials and consumables by 66.78% and 10.83% respectively.

Changes in Inventories of Finished Goods and Work-in-Progress

During fiscal 2021 the change in inventory was ₹ (745.78) lakhs and Fiscal 2020 the change in inventory was ₹(1,887.28) lakhs, primarily attributable to the increased inventory of finished goods.

Employee Benefits Expense

Employee benefits expense increased by 14.58% to ₹ 950.55 lakhs for Fiscal 2021 from ₹ 829.62 lakhs for Fiscal 2020. Increase in employee benefits expense primarily reflected an increase in the number of employees as well as increment of salaries and wages.

Power and Fuel

Power and Fuel decreased by 7.49% to ₹3,381.03 lakhs for Fiscal 2021 from ₹3,654.90 lakhs for Fiscal 2020, primarily as a result of purchase of power from private energy exchange and reduction in consumption of power for our continuous production process due to increase in volume of production.

Other Expenses

Other expenses increased by 105.96% to ₹368.08 lakhs for Fiscal 2021 from ₹178.71 lakhs for Fiscal 2020, primarily as a result of increase in repairs and maintenance cost for plant and machinery from ₹12.82 lakhs for Fiscal 2020 to ₹145.41 lakhs for Fiscal 2021.

Finance Costs

Finance costs increased by 1.92% to ₹ 751.21 lakhs for Fiscal 2021 from ₹ 737.07 lakhs for Fiscal 2020, primarily reflecting increase in interest on working capital loans. Interest on working capital loan increased to ₹ 286.25 lakhs for Fiscal 2021 from ₹ 236.14 lakhs for Fiscal 2020.

Depreciation and Amortisation Expenses

Depreciation and amortization expense increased by 21.19% to ₹ 625.77 lakhs for Fiscal 2021 from ₹516.37 lakhs for Fiscal 2020, increased in depreciation and amortisation expenses was due to addition to fixed assets of ₹ 2386.46 Lakhs in Fiscal 2021.

Income tax expense

Total income tax expense increased to ₹606.54 lakhs for Fiscal 2021 from ₹341.64 lakhs for Fiscal 2020, primarily as a result of an increase in profit before tax.

Profit for the year after tax

As a result of the foregoing, our profit for the year increased by 91.34% to ₹1513.20 lakhs for the financial year 2021 from ₹790.83 for the financial year 2020.

FISCAL 2020 COMPARED TO FISCAL 2019

Revenue

Total income increased by 20.34% to ₹ 16,115.05 lakhs for Fiscal 2020 from ₹13,391.56 lakhs for Fiscal 2019, primarily due to an increase in revenue from operations.

Revenue from Operations

Revenue from operations increased by 20.35% to ₹ 16,077.69 lakhs for Fiscal 2020 from ₹13,359.61 lakhs for Fiscal 2019 primarily due to increase in sales of manufacturing goods.

Other Income

Other income increased by 16.93% to ₹ 37.36 lakhs for Fiscal 2020 from ₹ 31.95 lakhs for Fiscal 2019. The increase was primarily due to increase in interest income.

Expenses

Cost of materials consumed

Cost of materials consumed increased by 30.25% to ₹ 10,953.19 lakhs for Fiscal 2020 from ₹ 8,409.38 lakhs for Fiscal 2019. Such increase was primarily a result of expenses incurred to purchase higher volumes of raw materials and consumables by 30.41% and 26.40% respectively.

Changes in Inventories of Finished Goods and Work-in-Progress

During fiscal 2020 the change in inventory was ₹ (1887.28) lakhs and Fiscal 2019 the change in inventory was ₹5.88 lakhs, primarily attributable to the increased inventory of finished goods.

Employee Benefits Expense

Employee benefits expense increased by 42.77% to ₹ 829.62 lakhs for Fiscal 2020 from ₹ 581.07 lakhs for Fiscal 2019. Increase in employee benefits expense primarily reflected an increase in salaries & wages and increase in employee strength.

Power and Fuel

Power and Fuel increased by 45.12% to ₹3,654.90 lakhs for Fiscal 2020 from ₹2,518.61 lakhs for Fiscal 2019, primarily as a result of increase in volume of production, enhancement in contracted load and increase in power and fuel charges.

Other Expenses

Other expenses increased by 26.06% to ₹178.71 lakhs for Fiscal 2020 from ₹141.77 lakhs for Fiscal 2019, primarily as a result of increase in rent, filing and registration fees, taxes, etc. amongst others.

Finance Costs

Finance costs increased by 107.84% to ₹ 737.07 lakhs for Fiscal 2020 from ₹ 354.63 lakhs for Fiscal 2019, primarily reflecting increase in interest on term loans and working capital loans. Interest on Term loans increased to ₹ 315.94 lakhs for Fiscal 2020 from ₹ 19.50 lakhs for Fiscal 2019, interest on working capital loan increased to ₹ 236.14 lakhs for Fiscal 2020 from ₹ 176.52 lakhs for Fiscal 2019.

Depreciation and Amortisation Expenses

Depreciation and amortization expense increased by 139.69% to ₹ 516.37 lakhs for Fiscal 2020 from ₹215.43 lakhs for Fiscal 2019, increased in depreciation and amortisation expenses was due to addition to fixed assets of ₹ 1,184.15 Lakhs in Fiscal 2020.

Income tax expense

Total income tax expense decreased to ₹341.64 lakhs for Fiscal 2020 from ₹362.79 lakhs for Fiscal 2019, primarily as a result of a decrease in profit before tax.

Profit for the year after tax

As a result of the foregoing, our profit for the year decreased by 1.39% to ₹790.83 lakhs for the financial year 2020 from ₹802.00 for the financial year 2019.

Liquidity and Capital Resources

As on September 30, 2021, our cash and cash equivalents were ₹ 5.41 lakhs. Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by funding from bank borrowings and optimization of operating working capital. We expect to meet part of our working capital needs and liquidity requirements for Fiscal 2022 from the proceeds of the Issue. The balance will be funded through our internal accruals, cash flows from our business operations and borrowings, as determined by the management

Cash Flows

The following table sets forth certain information concerning our cash flows for the periods indicated:

(₹ in lakhs)

Particulars	For six months period ended on September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Net cash flow from operating activities	(150.26)	1042.61	51.62	321.90
Net cash flow from investing activities	(318.37)	(2,346.91)	(1,203.90)	(3,189.25)
Net cash flow from financing activities	402.29	1,209.22	921.12	3,235.44
Net increase in cash and cash equivalents	(66.34)	(95.07)	(231.16)	368.09
Add: Balance at the beginning of the year	71.75	166.82	397.99	29.90
Cash and cash equivalents at the end of the year	5.41	71.75	166.82	397.99

Net Cash Flow from Operating Activities

Six months period ended September 30, 2021

Our net cash generated from operating activities for six months period ended on September 30, 2021 was ₹ (150.26) lakhs. The operating profit before working capital changes was ₹ 2,557.27 lakhs due to increase in trade and other receivables of ₹ 314.17 lakhs and increase in inventories ₹ 2,311.28 lakhs and increase in Trade payables & other liabilities by ₹264.55 lakhs and payment of taxes of ₹ 346.64 lakhs.

Fiscal 2021

Our net cash generated from operating activities for Fiscal 2021 was ₹ 1,042.61 lakhs, which was primarily due to operating profit before working capital changes of ₹ 3,428.35 lakhs and an increase in inventories of ₹ 2,054.51 lakhs, decrease in trade and other receivables of ₹ 316.49 lakhs and decrease in Trade payables & other liabilities by ₹261.25 lakhs.

Fiscal 2020

Our net cash generated from operating activities for Fiscal 2020 was ₹ 51.62 lakhs, which was primarily due to operating profit before working capital changes of ₹ 2,349.08 lakhs and an increase in inventories of ₹ 2,052.30 lakhs, increase in trade and other receivables of ₹ 1,087.10 lakhs and increase in trade payable and other liabilities by ₹1,028.19 lakhs.

Fiscal 2019

Our net cash generated from operating activities for Fiscal 2019 was ₹ 321.90 lakhs, which was primarily due to operating profit before working capital changes of ₹ 1702.94 lakhs and increase in trade receivables of ₹503.23 lakhs, increase in trade payables of ₹ 249.82 lakhs and increase in inventories of ₹ 690.09 lakhs.

Net Cash Flow from Investing Activities

Six months period ended September 30, 2021

Our net cash flow from investing activities for six months period ended on September 30, 2021 was ₹ (318.37) lakhs, which was primarily due to purchase of property, plant and equipment.

Fiscal 2021

Our net cash used in investing activities for Fiscal 2021 was ₹ (2,346.91) lakhs, which was primarily due to purchase of property, plant and equipment.

Fiscal 2020

Our net cash used in investing activities for Fiscal 2020 was ₹ (1,203.90) lakhs, which was due to purchase of property, plant and equipment.

Fiscal 2019

Our net cash used in investing activities for Fiscal 2019 was ₹ (3,189.25) lakhs, which was due to purchase of property, plant and equipment.

Net Cash Flow from Financing Activities

Six months period ended September 30, 2021

Our net cash flow from financing activities for six months period ended on September 30, 2021 was ₹ 402.29 lakhs, which was due to increase in short term borrowings.

Fiscal 2021

Our net cash flow from financing activities for Fiscal 2021 was ₹ 1,209.22 lakhs, which was due to increase in short term borrowings, increase in preference and equity share capital. This was partly offset by non-cash items such as conversion of preference into Equity Shares and conversion of ICD into equity shares and interest cost.

Fiscal 2020

Our net cash used in financing activities for Fiscal 2020 was ₹ 921.12 lakhs, which was due to proceeds from issue of share capital and increase in working capital borrowings. This was partly offset by finance cost and other long-term liabilities.

Fiscal 2019

Our net cash used in financing activities for Fiscal 2019 was ₹ 3235.44 lakhs, which was due to proceeds from issue of Equity Share capital and preference Share capital and proceeds from term loan and working capital loan and increase in other long term liabilities. There was negative impact of finance charges of ₹ 332.52 lakhs.

The reasons for wide mismatch between the receivable days and the payable days during the last three fiscals and the rationale for the estimated receivable days and payable days are as follows:

- <u>Reasons for wide mismatch between receivable days:</u>

The receivable days of our Company for Fiscal 2019, 2020 and 2021 were 15 days, 33 days, and 28 days respectively. Further, receivable days estimated by us for Fiscal 2022 and Fiscal 2023 are 41 days and 53 days respectively.

The receivable days of our Company increased from 15 days in Fiscal 2019 to 33 days in Fiscal 2020 due to slow movement of our inventory and we were not able to recover the receivables on account of subdued macroeconomic condition which has arisen due to Covid-19 Pandemic in the country.

The receivable days of our Company decreased from 33 days in Fiscal 2020 to 28 days in Fiscal 2021 on account of improvement in recovery of our receivables because of opening up of economy after partial lifting of lockdown by Government of India.

The increase in our receivable days as estimated by us from 28 days in Fiscal 2021 to 41 days in Fiscal 2022 to 53 days in Fiscal 2023 has been considered due to shift in manufacturing of industrial products to M. S. Tubes which is our value added product. In the current Fiscal, for the six months period ended on September 30, 2021, more than 90% of sales of our Company are coming from sale of M. S. Tubes. Accordingly, we have increased the credit period to its existing dealers.

- <u>Reasons for wide mismatch between payable days:</u>

The payable days of our Company for Fiscals 2019, 2020 and 2021 were 33 days, 50 days and 9 days, respectively. Further, payable days as estimated by us for Fiscal 2022 and Fiscal 2023 are 7 days and 3 days respectively.

The payable days of our Company increased from 33 days in Fiscal 2019 to 50 days in Fiscal 2020 due to delay in payment to our creditors on the part of our Company as we were was not able to recover our receivables due to subdued macroeconomic conditions in the country which has arisen due to Covid-19 Pandemic.

The payable days of our Company from Fiscal 2020 to Fiscal 2021 decreased from 50 days to 9 days because of additional credit extended by the bank to us and opening up of economy after partial lifting of lockdown by Government of India.

The payable days of our Company in Fiscal 2021, Fiscal 2022 and Fiscal 2023 as estimated by us is decreasing from 9 days, 7 days and 3 days, respectively due to improvement in our cash flows on account of second emergency line of credit from banks, improvement in internal cash accruals, change in purchase policy by which we are purchasing raw material on cash and carry basis at lesser price and proposed raising of funds from an Initial Public Issue.

Financial Indebtedness

Please See "*Financial Indebtedness*" for a description of broad terms of our indebtedness on page 280 of this Red Herring Prospectus. In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Contingent Liabilities

The following table sets forth our contingent liabilities as of September 30, 2021:

(₹ in lakhs)

Particulars	Amount
Bank Guarantee to Pollution Board & National Highway Excluding Financial Guarantee	1.31
Claims against the Company not acknowledged as debt	600.69

Reasons for increase in current liabilities and financial liabilities from March 2020 to March 2021

During the period from March 2020 to March 2021, our other current liabilities increased because of provisions made for payment of statutory liabilities towards Goods and Services Tax, Provident Fund, Employees State Insurance Policy, Tax deduction at source. Further, there was an increase in our financial liabilities because of increase in bank borrowings and provision made towards capital expenditure by us for the purpose of acquisition of Unit II of the Company during Fiscal 2021.

Utilization by the Company of its of borrowing facilities as part of the Financing arrangements, like bank overdraft, bank loan and other similar facilities along with the percentage usage for Fiscals 2021, 2020 and 2019 and from April 1, 2021 to January 31, 2022:

Type of Borrowings	Period	(Rs. in Lakhs)			Average % of utilization
		Sanctioned amount	Average Utilisation of Borrowing amount	Outstanding balance	
Working Capital	Fiscal 2019	1,800.00	1,496.37	1,494.36	83.13%
	Fiscal 2020	2,500.00	2,192.69	2,652.41	87.71%
	Fiscal 2021	4,000.00	3,236.21	2,593.88	80.91%
	From April 1, 2021 to January 31, 2022	4,000.00	3,766.21	3,970.51	94.16%
Non-Fund Based LC/BG	Fiscal 2019	400.00	649.83	559.62	162.46%
	Fiscal 2020	800.00	694.43	598.16	86.80%
	Fiscal 2021	900.00	614.69	818.61	68.30%
	From April 1, 2021 to January 31, 2022	900.00	677.08	704.96	75.23%

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

A summary of the related party transactions entered into by our Company for the for six months period ended September 30, 2021 and for Fiscals 2021, 2020 and 2019 as derived from Restated Financial Information is detailed below:

(₹ In lakhs)

Nature of transaction	For the six months period ended September 30, 2021	Fiscal		
		2021	2020	2019
(a) Employee benefit expenses				
(i) Salary	236.98	453.88	438.82	210.90
(ii) Post employment benefits	15.48	14.63	6.24	4.35
(iii) Key-insurance premium for KMP	-	40.00	40.00	40.00
(b) Directors' sitting fees	2.13	3.48	3.50	2.28
(c) Rent paid	8.40	16.80	16.80	11.80
(d) Sales of Goods	4,555.17	6,216.73	3,136.70	1,543.74
(e) Purchase of Goods	4,449.92	3,796.13	1,177.98	294.03
(f) Unsecured Loan Taken	64.50	117.00	357.49	474.10
(g) Unsecured Loan Repaid / Converted into Equity Shares	10.00	460.40	525.00	316.10
(h) Issue of Preference Share Capital	-	100.00	795.00	-
(i) Conversion of Preference Share Capital	-	895.00	-	-
(j) Issue of Equity Share Capital	0.40	364.53	-	233.33
(k) Advance to Employees	-	38.70	-	-
(l) Outstanding Unsecured Loan	251.66	197.16	540.56	708.07
(m) Trade Receivable	-	23.91	-	43.36
(n) Trade Payable	73.99	-	72.74	-

For further details, see "Restated Financial Statements – Note 31 – Related Party Transactions and Disclosures" at page 177.

One of the top 10 supplier of raw materials includes is a related party which has supplied 29.56%, 20.98%, 10.75% and 3.34% of the cost of materials consumed during the six months period ended September 30, 2021 and for the financial years ending March 31, 2021, March 31, 2020 and March 31, 2019, respectively.

The related party transactions, sales of goods for the six months period ended September 30, 2021 and for the financial years March 31, 2021, March 31, 2020 and March 31, 2019 were 24.18%, 24.46%, 19.51% and 11.56% of revenues from operations, respectively.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to credit risk, liquidity risk, commodity risk and interest rate risk in the normal course of our business.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms of 30 to 90 days with our customers. For six months period ended September 30, 2021 and for the financial years 2021, 2020 and 2019, our receivables were ₹ 2,257.46 lakhs, ₹ 1,962.91 lakhs, ₹ 2,277.60 lakhs and ₹1,048.58 lakhs respectively.

Liquidity Risk

We manage our liquidity needs by carefully monitoring cash-outflows due in day-to-day business. We monitor liquidity needs in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. We maintain adequate liquidity to meet our requirements for up to 30-day periods. Funding in regard to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities which be drawn upon as and when required.

Commodity Risk

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk. For further information, see "*Risk Factors – Internal Risk Factors – Any delay, interruption or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, financial condition and cash flows*" beginning on page 22.

Unusual or Infrequent Events or Transactions

Except as described in this Red Herring Prospectus and as mentioned below, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Covid-19 impact

An outbreak of COVID-19 was recognised as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. Due to a government mandated lockdown in India, we had to temporarily shut down our operations from mid March 2020 to April 2020. We have resumed operations slowly from May 2020. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our office. As a result, we have since experienced a gradual increase in business, however there was a major adverse impact of Covid 19 pandemic on our revenues and business operations during the lockdown period.

Further, the lockdown was again imposed across India by various state governments including Telangana in April 2021 due to increase in number of Covid-19 cases. The lockdown restrictions were partially relaxed w.e.f. June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. While progressive relaxations have since been granted for movement of goods and people and cautious re-opening of businesses and offices, selective or partial lockdowns at a local level may be re-introduced, depending on the health risk posed by the pandemic. The vaccination drive is a significant step towards moving beyond the pandemic, however, the possibility of multiple waves of the pandemic and therefore lockdown-like measures remains, as is evident in many countries including India having to reinstate lockdowns due to a 'second wave' of the COVID-19 outbreak and the discovery of new mutant strains of the coronavirus.

The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The steps taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India and globally. Our operations are dependent on and directly affected by various factors, including the ability of the various parties involved including clients, suppliers, manpower, consultants etc. to carry out their work effectively in a timely manner or at all, which may entail suspended operations and/or delayed execution of our business operations, and may entail additional costs or delay various requirements under different regulations.

In view of the fluidity of the situation and lack of visibility on the timeline for containment of the global pandemic, the recovery trajectory remains uncertain. It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. We continue to closely monitor the effect that COVID-19 may have on our business and results of operations. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of the aforementioned factors affecting our results of operations.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "Significant Factors Affecting Our Results of Operations and Financial Condition" and the uncertainties described in the section "*Risk Factors*" on pages 22 and 265, respectively. To our knowledge, except as disclosed in this Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*" on page 22 and this section, there are no known factors that might affect the future relationship between cost and revenue.

Total turnover of each major industry segment in which the issuer company operated.

For details of the industry please refer to Chapter titled "*Industry Overview*" on page 98.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

Competitive Conditions

For details, please refer to the discussions of our competition in the sections "*Risk Factors*" and "*Our Business*" on pages 22 and 125, respectively.

Seasonality of Business

Demand for our products is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. As a result, we usually experience relatively weaker sales volume during the monsoon, and somewhat stronger sales in other seasons. We expect our results of operations will continue to be affected by seasonality in the future. Our results of operations for any quarter in a given year may not, therefore, be comparable with other quarters in that year.

New Products or Business Lines

Our Company has not announced any new product or business segment.

Significant Developments Occurring after September 30, 2021

Except as set out in this Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations, trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

Any significant dependence on a single or few suppliers or customers.

Our top 10 customers contributed 62.37%, 60.74% and 49.78% of total sales for the six months period ended September 30, 2021, and for the Fiscals 2021 and 2020, respectively.

Our top 10 suppliers contributed 69.74%, 56.32% and 50.35% of total purchases for the six months period ended September 30, 2021 and for Fiscals 2021 and 2020, respectively.

FINANCIAL INDEBTEDNESS

Our Company has availed loans and facilities in the ordinary course of its business for *inter alia* meeting working capital requirements and capital expenditure.

Pursuant to our Articles of Association and in accordance with the provisions of the Companies Act, our Shareholders have passed a special resolution in their meeting held on January 28, 2022, authorizing our Board to borrow, for and on behalf of our Company, from time to time, any sum or sums of monies, in one or more tranches, which may exceed the aggregate of the paid up share capital, free reserves of our Company, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 50,000 lakhs, including the money already borrowed by our Company.

The details of the indebtedness of our Company as on January 31, 2022 is provided below:

A. Secured Borrowings:

(in ₹ lakhs)

No.	Nature of Borrowing	Sanctioned Amount	Outstanding Amount as on January 31, 2022
	Secured Borrowings		
I	*Fund based*		
	Cash Credit	4,000.00	3,813.31
	Letter of Credit	900.00	367.38
	Term Loan 1	2,894.00	1,531.41
	Term Loan 2	967.00	755.02
	Working Capital Term Loan	968.00	966.99
	Working Capital Demand Loan	320.00	89.80
	Working Capital Term Loan (GECL)	1,130.00	1,128.52
	Total (I)	**10,049.00**	**8,652.43**
II	*Non-fund based*		
	Bank Guarantee	50.00	1.31
	Total non-fund based (II)	**50.00**	**1.31**
III	**Vehicle loan (III)**	**96.34**	**31.52**
	Total (I+II+III)	**10,195.34**	**8,685.26**
IV	**Unsecured Borrowings***		
	Unsecured loan from our Promoters and Directors (A)	**--**	**151.66**
	Liability component of compound financial instruments (B)	**--**	**119.08**
	Total unsecured borrowings (IV)	**--**	**270.74**

**Unsecured borrowing taken from our Promoters and Directors to meet working capital requirements of the business of our Company.*

Notes: The details above have been certified by M/s Rakesh S Jain & Associates, Chartered Accountants pursuant to certificate dated February 10, 2022.

Principal terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various loan documentation executed by our Company and our Subsidiaries in relation to our indebtedness.

1. ***Interest:*** All our financing arrangements typically have a base rate (which could be RLRR or MCLR) plus basis points (spread) as specified by a given lender, which ranges from between 7% p.a. to 12% p.a.

2. ***Penal Interest***: The terms of the facilities availed by us prescribe penalties for certain events, such as, or enhanced rates of interest on the facilities typically within a range over and above the normal rate or a prescribed amount on the occurrence of certain events including, but not limited to, excess drawing beyond the available drawing power or sanctioned limit, delay/non-submission of data and statements, etc. The penal interest for the term loan(s) is typically 2% per annum (wherever applicable) over and above the applicable interest rate, on the amount outstanding.

3. ***Prepayment:*** Our Company may prepay part or full amount with notice and certain pre-payment charges may be applicable in accordance with the terms and conditions agreed with a lender. The prepayment penalty, where specified, is typically up to 2% of the amount being prepaid.

4. ***Security:*** In terms of our borrowings where security is required to be created, we are typically required to:

   (a) create first charge by way of equitable mortgage over certain immovable properties belonging to Sailesh Gupta, Rupesh Kumar Gupta, Sunita Gupta, and our Company;
   (b) create charge by way of hypothecation on plant and machinery and other fixed assets belonging to our Company;
   (c) create charge by way of hypothecation on stocks and receivables of our Company;
   (d) lien on FD and RD; and
   (e) provide personal/corporate guarantee by some of members of our Promoter Group.

5. ***Validity and repayment:*** The term loan availed by us is repayable within period of five (5) years. The letter of credit facility availed by us is repayable within period of two (2) years.

6. ***Key Covenants:*** The financing documentation executed by our Company entail certain restrictive covenants and conditions restricting certain corporate actions, and for which we are required to take the prior approval of the respective lender before carrying out such actions, including for:

   (a) giving corporate guarantee/ financial guarantee for the credit facilities availed by group/allied concerns;
   (b) declaration or payment of dividend in cases when interest/overdues are outstanding;
   (c) undertake any new project or expansion;
   (d) entering any borrowing arrangement either secured or unsecured with any other bank or financial institution or company;
   (e) invest by way of share capital or lend funds or place deposits with any associate/ allied/ sister/ any other concern;
   (f) change in capital structure of our Company;
   (g) revaluation of fixed assets of our Company;
   (h) alienate or encumber the property secured with lender;
   (i) formulation of any scheme of amalgamation or reconstruction;
   (j) change in accounting policies with regard to stock valuation, depreciation of fixed assets, etc.;
   (k) enter into any hire purchase or lease agreement;
   (l) withdraw any monies brought in as loans, deposits, capital, etc. by our Promoters, our Directors or their relatives or friends; and
   (m) undertake any guarantee obligation on behalf of any third party or any other company.

7. ***Events of Default:*** As per the terms of our borrowings, the following, among others, constitute events of default:

   (a) default by our Company in repayment of principal amount when the same becomes due and payable;
   (b) default by our Company in payment of the interest when the same becomes due and payable; and
   (c) default in performance or observance of any covenant, condition, assurances, undertakings, commitments or any other terms or conditions in relation to our borrowings representation, warranty or agreement or breach of instructions or directors of our lenders with respect to our borrowing.

SECTION VII – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding (i) criminal proceedings, (ii) actions by statutory or regulatory authorities, (iii) claims for any direct or indirect tax liabilities (on consolidated basis); or (iv) other pending litigation as have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, Directors or Promoters.

The details of the outstanding litigation or proceedings involving our Company, our Promoters and our Directors are described in this section in the manner as set forth below. Pursuant to SEBI ICDR Regulations, for the purposes of disclosure, our Board on September 2, 2021 has adopted a policy of materiality for identification of all pending litigations involving our Company, our Promoters and our Directors, other than criminal proceedings, statutory or regulatory actions, as 'material' if the monetary amount of claim by or against the entity or person in any such pending matter exceeds one per cent of total income of our Company, in the most recently completed Fiscal as per the Restated Financial Statements i.e. ₹ 254.82 lakhs. However, for the purpose of disclosure in this Red Herring Prospectus, all the pending litigations has been identified as 'material' by our Board.

Further, pre-litigation notices received by our Company, our Promoters and our Directors (excluding those notices issued by statutory, regulatory or tax authorities), unless otherwise decided by the Board, are not evaluated for materiality until such time that such parties are impleaded as defendants in litigation proceedings before any judicial forum. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has a bearing on the operations or performance of our Company.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of Creditors Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 21.50 lakhs, which is 5% of the total trade payables of our Company, as on March 31, 2021, based on the Restated Financial Statements of our Company included in this Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on March 31, 2021, any outstanding dues exceeding ₹ 21.50 lakhs have been considered as 'material' outstanding dues. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.*

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal proceedings filed by our Company

There are no outstanding criminal proceedings filed by our Company as on the date of this Red Herring Prospectus.

B. Outstanding criminal proceedings filed against our Company

There are no outstanding criminal proceedings filed against our Company as on the date of this Red Herring Prospectus.

C. Civil proceedings filed by our Company

Except as disclosed below, there are no outstanding civil proceedings filed by our Company as on the date of this Red Herring Prospectus.

1. Our Company has filed a Writ Petition bearing No. 22546 of 2010 (the "***WP***"), against Andhra Pradesh Regulatory Commission, the Central Power Distribution Company of Andhra Pradesh Limited (the "***APCPDCL***"), the Superintendent Engineer Operation Circle, APCPDCL and the Senior Accounts Officer, Operation Circle, APCPDCL (collectively, the "***Respondents***"), before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh. The WP is filed seeking issuance of a writ or order of direction in nature of Writ of Mandamus to declare the action of the Respondents in not reducing the maximum demand charges for the non-supply period and in not calculating the load factor based on the actual hours of supply for the purpose of tariff incentive for which our Company is entitled as per the tariff order 2008-2009 for the consumption months of February 2009 to March 2010 as highly illegal arbitrary unjust void and consequently direct the Respondents to refund the excess amounts collected from our Company to the tune of ₹ 57.20 Lakhs together with interest at the rate of 24% per annum.The WP is pending before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh and shall accordingly come up for hearing in normal course.

2. Our Company has filed a Writ Petition bearing No. 13173 of 2011 (the "***WP***"), against Andhra Pradesh Electricity Regulatory Commission (the "***AEPRC***"), the Central Power Distribution Company of A. P. Limited (the "***APCPDCL***"), the Superintendent Engineer Operation Circle, APCPDCL and the Senior Accounts Officer Operation Circle, APCPDCL (collectively, the "***Respondents***"), before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh. The WP is filed seeking to issue a writ or order or direction in the nature of Writ of Mandamus to declare the order passed by the APERC in O.P. Nos. 1 to 4/2004 dated August 24, 2005 in relation to condition No. 5.3.3 of the General terms and conditions in relation to supply of electricity by the APERC as agreed between APERC & our Company and the action of the APCPDCL, the Superintendent Engineer Operation Circle, APCPDCL and the Senior Accounts Officer Operation Circle, APCPDCL in levying and collecting development charges for the release 1,800 KVA CMD to our Company and as highly illegal arbitrary unjust and contrary to Sections 43, 46, 181 and 182 of the Electricity Act, 2003, to set aside the order dated August 24, 2005 of the APERC in O.P. Nos. 1 to 4/2004 and to direct the Respondents to amount collected from our Company towards said development charges to the tune of ₹ 21.60 lakhs together with interest at the rate of 24% per annum. The WP is pending before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh and shall accordingly come up for hearing in normal course.

3. Our Company has filed a Writ Petition bearing No. 18384 of 2016 (the "***WP***"), against the Telangana Electricity Regulatory Commission (the "***TERC***"), the Southern Power Distribution Company Limited of Telangana (the "***TSSPDCL***"), the Superintendent Engineer (Operation Circle), TSSPDCL and the Senior Accounts Officer (Operation Circle), TSSPDCL (collectively, the "***Respondents***"), before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh. The WP is filed seeking issuance of writ in the nature of Writ of Mandamus or any other appropriate writ direction or order to declare the order dated March 27, 2015 passed by TERC in relation to OP No. 76 of 2015 in respect of levying cross subsidy surcharge on open access power by TSSPDCL, being utilized by our Company as arbitrary, illegal, without jurisdiction and offending the Principles of Natural justice, to set aside the said order and to demand of cross subsidy surcharge to the tune of ₹ 4.13 lakhs at the rate of ₹ 1.29 Paise per unit in the CC Bill dated May 24, 2016 as illegal and void. The WP is pending before the Hon'ble High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh and shall accordingly come up for hearing in normal course.

D. Civil proceedings filed against our Company

Except as disclosed below, there are no outstanding civil proceedings filed against our Company as on the date of this Red Herring Prospectus.

Om Shiv Shakti Iron Industries Private Limited (the "***Plaintiff***"), has filed a Suit bearing No. 2182 of 2020 (the "***Suit***"), against our Company (the "***Defendant***"), before the Hon'ble City Civil Court, Hyderabad under section 26 and Order VII Rule 1 & 2 of C.P.C for recovery of outstanding amount of ₹ 10.11 Lakhs including late payment and interest at the rate of 24% from the date of suit till the date of realization from the Defendant towards material supplied by Plaintiff to the Defendant. The Suit is pending before the Hon'ble City Civil Court of Hyderabad and shall accordingly come up for hearing in normal course.

E. Outstanding actions by statutory and regulatory authorities

There are no outstanding actions by statutory and regulatory authorities initiated against our Company as on the date of this Red Herring Prospectus.

F. Other material outstanding proceedings filed by our Company

There are no outstanding material proceedings filed by our Company as on the date of this Red Herring Prospectus.

G. Other material outstanding proceedings against our Company

There are no outstanding material proceedings filed against our Company as on the date of this Red Herring Prospectus.

H. Disciplinary action taken against our Company by SEBI or any stock exchanges

No disciplinary action has been taken against any of our Company in the five Fiscals preceding the date of this Red Herring Prospectus either by SEBI or any stock exchange, or is currently outstanding.

I. Claims related to direct and indirect taxes

1. Pending claims related to direct and indirect taxes due to Tax authorities by our Company as on the date of this Red Herring Prospectus

(₹ in lakhs)

Nature of case	Number of cases	Amount involved
Direct Tax	3	592.71

2. Pending claims related to direct and indirect taxes due to our Company from Tax authorities as on the date of this Red Herring Prospectus

(₹ in lakhs)

Nature of case	Number of cases	Amount involved
Direct Tax	1	24.00*
Indirect Tax	1	0.85#

**Income Tax Authorities has issued demand notice under Section 143(3) of Income Tax Act to our Company for Assessment Year 2009-10 for demand of ₹ 64.10 lakhs. Thereafter, our Company has paid ₹24.00 lakhs to Income Tax Authorities towards regular assessment for the Assessment Year 2009-10 during the year 2012 and 2013 against said demand. Subsequently, Income Tax Tribunal passed an order on October 5, 2016 in favour of our Company. Therefore, our Company has claimed refund of said refund of Rs. 24.00 lakhs from Income Tax Authorities.*

#This includes ₹ 0.85 lakhs as refund from Sales Tax Authorities for period from December 2009 to March 2011.

J. Outstanding dues to Creditors

Our Board, in its meeting held on *September 2, 2021* has considered and adopted a policy of materiality for identification of material outstanding dues to creditors ("**Materiality Policy**"). In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of the total trade payables on March 31, 2021 was outstanding, were considered to be 'material' creditors. As per the Restated Financial Statements, the total trade payables as on March 31, 2021, were ₹ 429.93 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 21.50 lakhs have been considered as 'material creditors' for the purposes of disclosure in this Red Herring Prospectus.

The details of our outstanding dues owed to 'material' creditors, Micro, small or medium enterprises and other creditors as at September 30, 2021 by our Company are set out below:

(₹ in lakhs)

Particulars	Number of creditors	Amount involved
Micro, small or medium enterprises	Nil	Nil
Material creditors	10	731.75
Other creditors	109	271.81

The details pertaining to outstanding dues towards our creditors are available on the website of our Company at https://www.hariompipes.com/.

LITIGATIONS INVOLVING OUR PROMOTERS AND DIRECTORS

A. Outstanding criminal proceedings filed by our Promoters and Directors

There are no outstanding criminal proceedings filed by our Promoter and Directors as on the date of this Red Herring Prospectus.

B. Outstanding criminal proceedings filed against our Promoters and Directors

There are no outstanding criminal proceedings filed against our Promoter and Directors as on the date of this Red Herring Prospectus.

C. Civil proceedings filed by our Promoters and Directors

There are no outstanding civil proceedings filed by our Promoter and Directors as on the date of this Red Herring Prospectus.

D. Civil proceedings filed against our Promoters and Directors

There are no outstanding civil proceedings filed against our Promoters and Directors as on the date of this Red Herring Prospectus except as disclosed below.

Mr. D. Srinivas Reddy (the "***Plaintiff***") has filed a suit (467/2015) (the "***Suit***") before the Hon'ble District Court at Rangareddy (the "***Court***") under Order VII Rule 1 & 2 read with Section 26 of Civil Procedure Code, 1908 against Ms. K. Kasturi Bai and others (the "***Defendants***") including one of our Promoter and Director, Mr. Rupesh Kumar Gupta. The Suit is filed for specific performance of execution of agreement of sale dated September 15, 2002 in relation to sale immovable property by Defendants to Plaintiff, located at Survey No. 410, 429, 482/part, 484/part, 485/part, 487/part and 489/part, Attapur village, Rajendranagar Mandal, Rangareddy District admeasuring 426 sq. yards (the "***Suit Property***") which is disputed in Suit and to seek perpetual injunction on construction over Suit Property by Defendants. Presently, Suit is pending before Hon'ble Court and shall accordingly come up for hearing in normal course.

E. Outstanding actions by statutory and regulatory authorities

There are no outstanding actions by statutory and regulatory authorities against our Promoter and Directors as on the date of this Red Herring Prospectus.

F. Other material outstanding proceedings filed by our Promoters and Directors

There are no outstanding material proceedings filed by our Promoter and Directors as on the date of this Red Herring Prospectus.

G. Other material outstanding proceedings against our Promoters and Directors

There are no outstanding material proceedings filed against our Promoter and Directors as on the date of this Red Herring Prospectus.

H. Disciplinary action taken against our Promoters and Directors by SEBI or any stock exchanges

No disciplinary action has been taken against any of our Promoters and Directors in the five Fiscals preceding the date of this Red Herring Prospectus either by SEBI or any stock exchange, or is currently outstanding.

I. Claims related to direct and indirect taxes

1. Pending claims related to direct and indirect taxes due to Tax authorities by our Promoters and Directors as on the date of this Red Herring Prospectus

(₹ in lakhs)

Nature of case	Number of cases	Amount involved
Direct Tax		
Director, Sunita Gupta	1	2.86
Promoter and Director, Sailesh Gupta	1	252.70

2. Pending claims related to direct and indirect taxes due to our Promoters and Directors from Tax authorities as on the date of this Red Herring Prospectus

(₹ in lakhs)

Nature of case	Number of cases	Amount involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

II. MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole, or the value of our consolidated assets or our ability to pay our liabilities within the next twelve (12) months.

GOVERNMENT AND OTHER APPROVALS

Our business and operations require various approvals, licenses, registrations and permits issued by relevant regulatory authorities of the jurisdictions in which we operate under applicable law. Set out below is a list of material and necessary approvals, licenses, registrations and permits obtained by our Company for the purposes of undertaking its business activities and operations. Other than as stated below, no further material approvals, licenses, registrations, or permits are required to undertake the Issue or continue our business activities or operations. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course of business and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For details in connection with the applicable regulatory and legal framework, see "Key Regulations and Policies" on page 144.

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.

I. Approvals for the Issue

For details in relation to approvals for the Issue, see "*Other Regulatory and Statutory Disclosures- Authority for the Issue*" and "*The Issue*" on pages 289 and 47, respectively.

II. Incorporation Details of our Company

a. Certificate of incorporation dated June 21, 2007 issued by the Registrar of Companies, Andhra Pradesh in our former name, being Hari Om Concast and Steels Private Limited.

b. Fresh certificate of incorporation dated December 27, 2017 issued by the Registrar of Companies, Hyderabad, consequent upon change of name to Hariom Pipe Industries Private Limited.

c. Fresh certificate of incorporation dated January 17, 2018 issued by the Registrar of Companies, Hyderabad consequent upon change of name on conversion to a public company in the name of Hariom Pipe Industries Limited.

III. Tax Approvals in relation to our Company

a. The Permanent Account Number of our Company is AABCH8825N.

b. The Tax Deduction Account Number (TAN) of our Company is HYDH01982B.

c. The Importer-Exporter number of our Company is 0907020747.

d. GST Registration numbers obtained by our Company under The Central Goods and Services Tax Act, 2017 are 36AABCH8825N1Z3 and 37AABCH8825N2Z0 for our Unit I and Unit II, respectively.

IV. Approvals obtained in relation to its business and manufacturing operations

Our Company requires various approvals and/or licenses to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

a. *Registration and License to work a factory*: Our Company has obtained licenses under the Factories Act, 1948 for our Unit I and Unit II.

b. *Environmental registrations*: We have obtained the relevant consents from Telangana Pollution Control Board and from Andhra Pradesh Pollution Control Board for establishment of our Unit I and Unit II respectively, under the Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution), Act, 1981 and authorization under Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008. Our consent for our Unit I is valid till July 31, 2026. Further, our Company has made an application to Andhra Pradesh Pollution Control Board for renewal of consent for our Unit II on July 20, 2021.

We have also obtained no objection certificate from Government of Andhra Pradesh State Disaster Response &

Fire Services Department under Andhra Pradesh Fire Service Act, 1999 for our Unit II.

c. *Employment related registrations*:

i. We have been allotted a code under the Employees' State Insurance Act, 1948 in respect of our Unit I.

ii. We have been allotted a code under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

iii. We have obtained the registrations under the Contract Labour (Regulation and Abolition) Act, 1970 to engage contract labourers at our Unit I and Unit II.

d. Other material approvals obtained for our Unit I and Unit II.

a. We have obtained verification certificates for weighbridge installed at our Unit I and Unit II, respectively.

b. We have obtained registration number IBM/22948/2020 from Indian Bureau of Mines under Mineral Conservation and Development Rules, 1988 for our Unit II.

V. Approvals applied for but not received by our Company

a. Application to obtain fire no objection certificate under Telangana Fire Service Act, 1999 for our Unit I.

b. Our Company has made an application for renewal consent to Andhra Pradesh Pollution Control Board for our Unit II on July 20, 2021

VI. Approvals for which applications are yet to be filed by our Company

Nil

VII. Intellectual property related approvals

We have registered following trademarks with the Trade Mark Registry

Particulars of Mark	Type of mark	Class	Trade Mark Number	Validity
Will to work.....	Word	6	3465133	January 23, 2027
HARIOM PIPES	Word	6	2147653	May 6, 2031

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 August 28, 2021 and our Shareholders have approved the Issue pursuant to a special resolution dated September 14, 2021 in terms of Section 62(1)(c) of the Companies, 2013. This Red Herring Prospectus has been approved by our Board pursuant to a resolution passed on March 23, 2022.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 13, 2021 and October 14,2021, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court..

None of our Directors are associated with securities market related business, in any manner and there has been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters and members of our Promoter Group, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended ("SBO Rules"), to the extent applicable to each of them as on the date of this Red Herring Prospectus.

Eligibility for this Issue

Our Company is eligible for the Issue in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

a) 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% are held in monetary assets;

b) Our Company has an average operating profit of at least ₹1500 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;

c) 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; and

d) Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the last three Fiscals 2021, 2020 and 2019 are set forth below:

(*₹ in lakhs, unless otherwise stated*)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Restated net tangible assets [(1)]	7,373.04	5,004.78	3690.19
Restated monetary assets[(2)]	87.99	166.82	397.99
Monetary assets, as a percentage of net tangible assets (in %)	1.19%	3.33%	10.79%
Restated pre-tax operating profit/ (loss)	2,802.53	1,832.17	1,487.48
Net worth[(3)]	7,078.94	4,829.89	3,609.03

(1) *'Net tangible assets' means the sum of all net assets of our Company excluding intangible assets and deferred tax assets (net) reduced by total liabilities excluding deferred tax liability (net) of our Company.*

(2) *'Monetary assets' means cash and cash equivalents and bank balances other than cash and cash equivalents and non-current bank balances.*

(3) *'Net worth' means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account , after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation each as applicable for the Company on a restated basis.*

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

i. Our Company, Promoters, members of our Promoter Group and Directors are not debarred from accessing the capital markets by SEBI;

ii. The companies with which our Promoters or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

iii. Neither our Company, nor our Promoters, or Directors is a wilful defaulter or fraudulent borrower (as defined in the SEBI ICDR Regulations);

iv. None of our Promoters or Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

v. There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;

vi. Our Company along with Registrar to the Issue has entered into tripartite agreements dated April 20, 2018 with NSDL and CDSL both for dematerialisation of the Equity Shares;

vii. The Equity Shares of our Company held by our Promoters are in the dematerialised form; and

viii. 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 Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING ITI CAPITAL LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT

INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, BRLM, ITI CAPITAL LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 18, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors and the BRLM

Our Company, our Directors, and the BRLM no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement, and as will be provided for in the Underwriting Agreement.

All information to the extent required in relation to the Issue shall be made available by our Company and BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

None among our Company or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks 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.

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 issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, their respective 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, their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, 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 they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Hyderabad only. This Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the 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.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated October 13, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1246 dated October 14, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of each of the Promoters, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Legal Counsel to the Issue, Bankers to our Company, the BRLM, Registrar to the Issue, our Joint Statutory Auditors have been obtained; and consents in writing of the Syndicate Members, Sponsor Banks, Escrow Collection Bank and Refund Bank, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus and the RoC as required under the Companies Act, 2013 and such consents shall not been withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Expert Opinion

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

Our Company has received written consent dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants and R. Kabra & Co LLP, Chartered Accountants, our Joint Statutory Auditors, to include their names as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) and Section 26(5) of the Companies Act, 2013 to the extent and in their capacity as our Joint Statutory Auditors, and in respect of their examination report dated February 1, 2022 on our Restated Financial Statements in this Red Herring Prospectus and such certificate issued by him to our Company and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written certificate and consent dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their reports dated February 10, 2022 on the statement of special tax benefits in this Red Herring Prospectus and such certificate issued by him to our Company and such certificate and consent issued by him to our Company has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entities during the last three years

Other than as disclosed in "*Capital Structure*" on page 64, our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

Our Group Companies are not listed on any stock exchanges. Further, none of our Group Companies has made any capital issues during the three years preceding the date of this Red Herring Prospectus. Further, our Company does not have any subsidiaries or associates.

Commission and Brokerage Paid on Previous Issues of our Equity Shares in the last five years

Since this is the Initial Public Offer of the 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 the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue in the five years preceding the date of this Red Herring Prospectus. Our Company has not undertaken any rights issue in the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

As on the date of this Red Herring Prospectus, we do not have any subsidiaries or listed Promoter.

Price information of past issues handled by the BRLM:

1. Price information of past issues handled by ITI Capital Limited:

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date (₹)*	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Xelpmoc Design and Tech Limited	23.00	66.00	February 04, 2019	56.00	+10.91 [0.38%]	+11.59 [+6.51%]	-1.52 [+1.46%]
2	Nureca Limited	100.00	400.00	February 25, 2021	634.95	+51.66 [1.77%]	+283 [-0.04%]	312 [9.64%]

Source: www.bseindia.com

Notes:

a. In the event, any day falls on a holiday, the price/ index of the immediately preceding working day has been considered.

b. The prices are according to trades on BSE and S&P BSE Sensex.

c. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.

2. Summary statement of price information of past issues handled by ITI Capital Limited

Fiscal*	Total no. of IPOs	Total Funds Raised (₹in lakhs)	Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing			Nos. of IPOs trading at discount as on 180th calendar day from listing			Nos. of IPOs trading at premium as on 180th 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%
2020-21	1	10,000.00	-	-	-	1	-	-	-	-	-	1	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018-19	1	2,300.00	-	-	1	-	-	-	-	-	1	-	-	-

**As on date of this Red Herring Prospectus*

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLM as set forth in the table below:

S. No.	Name of the BRLM	Website
1.	ITI Capital Limited	www.iticapital.in

Stock Market Data of Equity Shares

This being an initial public issue of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of 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. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLM shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form will be submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form will be submitted by the Bidder.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Investors can contact our Company Secretary and Compliance Officer or the Registrar to the 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.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus.

Our Group Companies are not listed on any stock exchange. Our Company does not have any subsidiaries.

Disposal of Investor Grievances by our Company

Our Company has obtain authentication on SEBI SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on 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 also appointed Chirag Partani, Company Secretary of our Company, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems. For details, see "*General Information*" beginning on page 55.

Other Confirmations

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued, offered 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 Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the 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 Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authority while granting its approval for the Issue.

The Issue

The Issue comprises of a Fresh Issue of Equity Shares by our Company.

Ranking of 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 being Allotted in the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank pari passu with the existing Equity Shares in all respects including rights in respect of the right to receive dividend, voting and other corporate benefits. For further details, see "*Main Provisions of Articles of Association*" beginning on page 321.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance of the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI Listing Regulations, and other applicable laws including guidelines or directives that may be issued by Government of India in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on pages 175 and 321, respectively.

Face Value and Issue Price per Share

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ 144 per Equity Share and at the Cap Price is ₹ 153 per Equity Share, being the Price Band.

The Price Band for the Issue is ₹ 144 to ₹ 153 per Equity Share of Face value of ₹ 10.00 each. The Floor Price is 14.4 times of the face value of Equity Share and the Cap Price is 15.3 times of the face value of Equity Share. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;

- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, the SEBI Listing Regulations, our AoA and other applicable laws.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 321.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated April 20, 2018, amongst our Company, CDSL and the Registrar to the Issue; and
- Tripartite agreement dated April 20, 2018, between our Company, NSDL and the 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 Shares subject to a minimum Allotment of 98 Equity Shares. For method of Basis of Allotment, see "*Issue Procedure*" beginning on page 304.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Hyderabad, Telangana, India will have exclusive jurisdiction in relation to this Issue.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, 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 the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form which is available on request at our Registered and Corporate 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 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue 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 applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserve the right not to proceed with the Issue, to the extent of the Offered Shares after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same 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. The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks, in case of RIBs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company withdraws 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 red herring prospectus with SEBI. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/ Issue Programme

BID/ ISSUE OPENS ON	Wednesday, March 30, 2022
BID/ISSUE CLOSES ON	Tuesday, April 5, 2022*

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

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid / Issue Closing Date	Tuesday, April 5, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, April 8, 2022
Initiation of Refunds/unblocking of funds from ASBA Account*	On or about Monday, April 11, 2022
Credit of Equity Shares to Demat Accounts of Allottees	On or about Tuesday, April 12, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Wednesday, April 13, 2022

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four 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 four Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The 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. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLM.

While the 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 six Working Days of the Bid/ Issue Closing Date, or such other period as may be prescribed by the 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 or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. 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.

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 six Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids:

Bid/ Issue Period (except the Bid/ Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Issue Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

1. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
2. 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 will 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.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids 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 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, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Issue Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Issue period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Neither our Company or nor any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Banks due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown, or otherwise, in the UPI Mechanism.

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, but the Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding ten 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 ten 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 websites of the BRLM and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. 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-à-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

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Issue Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay, our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company and Promoters' minimum contribution as provided in "*Capital Structure*" on page 64 and as provided in our AoA as detailed in "*Main Provisions of the Articles of Association*" on page 321 there are no restrictions on the transmission of shares/debentures and on their consolidation or sub-division.

ISSUE STRUCTURE

Issue of up to 85,00,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] lakhs. The Issue shall constitute [●]% of the post-Issue paid-up Equity Share capital of our Company.

The Issue is being made through the Book Building Process.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation(2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/ allocation	Not more than 30% of the Issue shall be available for allocation to QIBs. However, 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 35% of the Issue or the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation	Not less than 35% of the Issue or Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows: (a) up to [●]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.	Proportionate	Proportionate, subject to the minimum Bid Lot. 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 304.
Minimum Bid	Such number of Equity Shares and in multiples of 98 Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 98 Equity Shares so that the Bid Amount exceeds ₹200,000	98 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 98 Equity Shares so that the Bid does not exceed the size of the Issue, subject to applicable limits	Such number of Equity Shares in multiples of 98 Equity Shares so that the Bid does not exceed the size of the Issue (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of 98 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	98 Equity Shares and in multiples of 98 Equity Shares thereafter		
Allotment Lot	A minimum of 98 Equity Shares and thereafter in multiples of one Equity Share		
Trading Lot	One Equity Share		
Who can apply(3) (4)	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies	Resident Indian individuals, Eligible NRIs on a non-repatriable basis, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals,	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta).

	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.	corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI.	
Terms of Payment	**In case of all Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder or by the Sponsor Banks through the UPI Mechanism (for RIBs using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form		
Mode of Bidding	Only through the ASBA process.		

** Assuming full subscription in the Issue*

(1) 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 in compliance with Regulation 6(1) of the SEBI ICDR Regulations

(2) 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.

Bids by FPIs with certain structures as described under "*Issue Procedure - Bids by FPIs*" on page 304 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the 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. For further details, see "*Terms of the Issue*" on page 297.

ISSUE PROCEDURE

*All Bidders should read the General Information Document, for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. 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.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of the Allotment Advice in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue 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/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID- 19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Red Herring Prospectus.

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 is not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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.

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 through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 30% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds, 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 on a proportionate basis to Non-Institutional Bidders and 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 at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for RIBs using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue.

Phased implementation of Unified Payments Interface

SEBI has issued a UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase became applicable from January 1, 2019 and until June 30, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Under this phase, submission of the physical ASBA Form by a RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/ Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Hyderabad edition of Surya, a Telugu newspaper, Telugu being the regional language of Telangana, where our Registered Office is located, each with wide circulation, on or prior to the Bid/ Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIBs using the UPI.

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 and the abridged prospectus will be available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. RIBs are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs.

RIBs 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 (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs 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 authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

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, Non-institutional Investors and Retail Individual Investors, each resident in India and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue

**Excluding electronic Bid cum Application Form*

Notes:

1. *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs) 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.

The Sponsor Banks shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, 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 Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the BRLM 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.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by Promoter, members of the Promoter Group, the BRLM, the Syndicate Members and persons related to Promoter/Promoter Group/the BRLM

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion 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 associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

The Promoters and the members of the Promoter Group will not participate in the Issue.

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.

b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till 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 till 12:00 pm on the next Working Day following 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.

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, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. 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 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. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non- Resident External ("**NRE**") accounts (including UPI ID, if activated), 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 to block their Non-Resident Ordinary ("**NRO**") accounts or confirm or accept the UPI mandate request (in case of RIBs using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. 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.

Participation of Eligible NRIs in the Issue shall be subjected to the FEMA

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

For further, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 319.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *karta*. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. 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 of our Company and the total holdings of all FPIs can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). 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.

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, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation 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 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.

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 is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI 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.

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 utilise the multi investment manager structure;
- 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).

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

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 in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), 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. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs 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.

The SEBI FVCI Regulations, *inter alia,* prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, 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 33.3% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not reregistered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, 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 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, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs and pension funds with a minimum corpus of ₹ 2,500 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons 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.

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 reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the 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, 1949 (the "**Banking Regulation Act**") and the Master Direction – 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 as per the last audited balance sheet or a subsequent balance sheet, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such 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 reserve 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 of India (Investment) Regulations, 2016, 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. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 2,500 lakhs, subject to applicable law, 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 reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important NBFCs

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, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves 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. For more information, please read the General Information Document and "*Restrictions on Foreign Ownership of Indian Securities*" on page 319.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

The information set out above is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that 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 regulations, or as specified in this Red Herring Prospectus or as will be specified in the Red Herring Prospectus and the Prospectus.

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 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 Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders 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 in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only

5. Ensure that your PAN card is linked with Aadhaar card and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

6. Ensure that you have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form;

7. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time.

Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

9. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field for payment details in the Bid cum Application Form;

10. All Bidders should submit their Bids through the ASBA process only;

11. 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;

12. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

13. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

14. 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;

15. 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. PAN of the First Bidder is required to be specified in case of joint Bids;

16. RIBs bidding 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 (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, 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 RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

20. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

21. 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 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 IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

22. Ensure that the Demographic Details are updated, true and correct in all respects;

23. 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;

24. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

25. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;

26. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

27. 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;

28. 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 (at www.sebi.gov.in) which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Issue is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website (at www.sebi.gov.in);

29. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

30. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;

31. RIBs 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, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;

32. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were 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 are liable to be rejected;

33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than RIBs 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) or such other websites as updated from time to time;

34. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form; and

35. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a RIB;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by RIBs ;

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. 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 Bidder;

12. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

13. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;

14. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

15. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

16. Do not submit the General Index Register (GIR) number instead of the PAN;

17. 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;

18. 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;

19. 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);

20. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

21. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;

22. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Issue Closing Date;

23. Do not Bid on another ASBA Form after you have submitted a Bid to any of the Designated Intermediaries;

24. Do not Bid for Equity Shares in excess of what is specified for each category;

25. 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;

26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;

27. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

28. If you are an RIB 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;

29. Do not Bid if you are an OCB;

30. 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 RIBs using the UPI Mechanism;

31. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism; and

32. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

Further, helpline details of the BRLM pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 See "*General Information –Book Running Lead Manager*" on page 56.

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/ demat credit/ refund orders/ unblocking, etc., investors shall reach out the Compliance Officer. For details of the Compliance Officer, see "*General Information*" beginning on page 55.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

For helpline details of the BRLM the Registrar and the Sponsor Banks to the Issue as required by SEBI, see "*General Information*" on page 55.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the issue document 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 Net 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 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 shares, if any, shall be allotted on a proportionate basis.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Hyderabad edition of Surya, a Telugu newspaper, Telugu being the regional language of Telangana, 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, 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 shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Hyderabad edition of Surya, a Telugu newspaper, Telugu being the regional language of Telangana, where our Registered Office is located, each with wide circulation.

The information set out above is given for the benefit of the Bidders/applicants. 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 Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Bids for Equity Shares do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

a) Our Company and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.

b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price the 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 ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lakhs or with both.

Undertakings by our Company

Our Company undertakes the following:

i. the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;

ii. 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 are taken within six working days of the Bid/ Issue Closing Date or within such other time period as may prescribed will be taken;

iii. the funds required f for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

iv. if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;

v. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

vi. that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;

vii. that we shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

viii. no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in ASBA Account on account of non-listing, under-subscription, etc.; and

ix. adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized 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 has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the DPIIT, the FDI Policy has been recently amended to state that all investments under the foreign direct investment route 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. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue.

As per the existing policy of the Government, OCBs cannot participate in this Issue.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, please see "*Issue Procedure – Bids by Eligible NRIs*" and "*Issue Procedure – Bids by FPIs*" on page 304.

As per the FDI policy, FDI in companies engaged in manufacturing sector is permitted up to 100% of the paid-up share capital of such company under the automatic route. For further details, please see "*Issue Procedure*" on page 304.

Subject to certain provisions, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. 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 of fund in India. 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 Issue in writing about such approval along with a copy thereof within the Bid/ Issue Period.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and

sold outside the United States in offshore transactions in reliance on Regulation S and applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. 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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Public Company

1. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

Share capital and variation of rights

2. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

(iii) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii)The company may issue new share certificates pursuant to consolidation or sub division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (i) The Company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

(iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

Transfer of shares

19. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

23. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

Transmission of Shares

24. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of Shares

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) increase its authorised share capital by such amount as it thinks expedient.

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

Capitalisation of profits

39. (i) The company in general meeting may, upon the recommendation of the Board resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

A. paying up any amounts for the time being unpaid on any shares held by such members respectively;

B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(iii)A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) whenever such a resolution as aforesaid shall have been passed, the Board shall—

a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
b) Generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Dematerialisation of Securities

41. (i**)** For the purpose of this Article:-

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

(ii) "Dematerialisation of Securities": Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

(iii) "Option to hold securities in physical form or with depository": Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

(iv) "Beneficial Owner may opt out of a Depository": Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

(v) "Securities in Depositories to be in fungible form": All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(vi) "Rights of depository and beneficial owners": A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) 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 rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

(viii) "Transfer of securities": Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) "Register and Index of beneficial owners": The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

(x) "Other matters": Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.

(xi) Notwithstanding anything contained in the Act or the Articles, 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 by delivery of floppies or disks.

Nomination

42. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of the Act.

Buy-Back of Shares

43. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General Meetings

44. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.

45. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

46. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
(iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
(iv) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
(v) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of Meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
(a) on a show of hands, every member present in person shall have one vote; and
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The minimum number of Directors shall be 3 and maximum number of directors shall be 15.

The First Directors of the Company are:

1. **Rupesh Kumar Gupta**
2. **Mukesh Kumar Gupta**

59. (*i*) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.
The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(*ii*) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

66. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

67. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

68. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

69. (i) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. A committee may elect a Chairperson of its meetings.

71. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

72. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

73. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

74. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

75. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

76. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

Managing Director

77. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.

78. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

The Seal

79. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

89. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

Accounts

90. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding Up

91. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

92. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

93. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

94. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting 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 and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the below mentioned documents and contracts, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date. Copies of such documents and contracts shall also be available at www.hariompipes.com for the period set out above.

Any of the contracts or documents mentioned in the 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, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

Material Contracts

1. Issue Agreement dated September 18, 2021 between our Company and the BRLM.

2. Agreement between Bigshare Services Private Limited and our Company dated September 14,, 2021 appointing them as the Registrar to the Issue.

3. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 20, 2018.

4. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 20, 2018.

5. Underwriting Agreement dated [●], 2022 between our Company and Underwriter.

6. Syndicate Agreement dated March 21, 2022 between our Company, the BRLM and Syndicate Manager.

7. Cash Escrow and Sponsor Bank Agreement dated February 21, 2022 amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Issue Account Bank(s) and the Refund Bank(s).

8. Monitoring Agency Agreement dated February 21, 2022 between our Company and the Monitoring Agency.

Material Documents

1. Certificate of Incorporation of our Company in the name of *"Hari Om Concast And Steels Private Limited"* dated June 21, 2007, issued by the Registrar of Companies.

2. Fresh Certificate of Incorporation consequent upon change in name of our Company in the name of "Hariom Pipe Industries Private Limited" dated December 27, 2017, issued by the Registrar of Companies.

3. Fresh Certificate of Incorporation consequent upon change in name of our Company in the name of "Hariom Pipe Industries Limited" dated January 17, 2018, issued by the Registrar of Companies.

4. Certified true copy of the Memorandum and Articles of Association of our Company, as amended.

5. Certified true copy of the resolution passed at the meeting of the Board of Directors dated August 28, 2021 authorizing the Issue.

6. Certified true copy of the special resolution of the Shareholders passed at the Annual General Meeting dated September 14, 2021 authorizing the Issue.

7. Certified true copy of the resolution passed at the meeting of the Board of Directors dated September 18, 2021 approving the Draft Red Herring Prospectus and resolution of the Board dated March 23, 2022 approving this Red Herring Prospectus.

8. Certified true copy of the resolution passed in the board meeting of our Company dated December 14, 2020 and certified true copy of the resolution passed in the shareholders meeting of our Company dated December 30, 2020 for appointment of Rupesh Kumar Gupta as Managing Director of our Company.

9. Certified true copy of the resolution passed in the board meeting of our Company dated December 14, 2020 and certified true copy of the resolution passed in the shareholders meeting of our Company dated December 30, 2020 for appointment of Sailesh Gupta as Whole Time Director of our Company.

10. The report on Statement of Tax Benefits dated February 10, 2022 issued by one of our Joint Statutory Auditor, Rakesh S. Jain & Associates, Chartered Accountants.

11. Consent dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their reports dated February 10, 2022 on the statement of special tax benefits in this Red Herring Prospectus.

12. Report of our Joint Statutory Auditors, Rakesh S. Jain & Associates, Chartered Accountants and R Kabra & Co. LLP, Chartered Accountants dated February 1, 2022 on the Restated Financial Statements included in this Red Herring Prospectus.

13. Consents dated February 10, 2022 from Rakesh S. Jain & Associates, Chartered Accountants and R Kabra & Co. LLP, Chartered Accountants, our Joint Statutory Auditors, to include their names as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Joint Statutory Auditors, and in respect of their examination report dated February 1, 2022.

14. Copies of annual reports of our Company for Fiscals 2021, 2019 and 2020.

15. Consents of Directors, the BRLM, the Syndicate Members, Legal Counsel to the Issue, Registrar to the Issue, Banker to the Issue, Sponsor Bank(s), Banker to our Company, Chief Financial Officer, Company Secretary and Compliance Officer as referred to in their specific capacities.

16. Updated report titled "India Steel & Steel Products Analysis & Forecast, 2026" dated February 10, 2022 commissioned by our Company and issued by Marketysers Global Consulting LLP and consent dated February 10, 2022 issued in relation to such report, available at www.hariompipes.com.

17. Valuation report dated July 1, 2017 and valuation report dated December 15, 2020.

18. Due Diligence Certificate dated September 18, 2021 from the BRLM to SEBI.

19. In-principle listing approvals dated October 13, 2021 and October 14, 2021, issued by BSE and NSE, respectively.

20. SEBI final observation letter bearing reference no. SEBI/SRO/OW/SG/AK/2022/2531/1 dated January 25, 2022.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Rupesh Kumar Gupta
Managing Director

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sailesh Gupta
Whole time Director

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sunita Gupta
Non -Executive Director

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Pramod Kumar Kapoor
Non-Executive Independent Chairman

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

B. Shanti Sree
Non-Executive Independent Director

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

G. Rajender Reddy
Non-Executive Independent Director

Place: Hyderabad
Date: March 23, 2022

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY

Amitabha Bhattacharya
Chief Financial Officer

Place: Hyderabad
Date: March 23, 2022