

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

This is an Abridged Prospectus containing salient features of the Red Herring Prospectus (RHP) Dated July 28, 2021 and any other corrigendum/addendum/ public notice issued thereto (the “RHP” or “Red Herring Prospectus”). You are encouraged to read greater details available in the RHP, unless otherwise specified, all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND SIX PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this abridged prospectus (“Abridged Prospectus”) and the general information document for investing in public offers (“GID”) undertaken through the Book Building Process before applying in the Offer (as defined below). The investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid cum Application form and the RHP from stock exchange, our company, syndicate members, registrar to issue, share transfer agents, depository participants, stock brokers, underwriter, bankers to the issue, self-certified syndicate banks or Book Running Lead Manager. You may also download the RHP from the websites of Securities and Exchange Board of India (“SEBI”), Book Running Lead Manager (“BRLM”) and Stock Exchanges (“BSE” & “NSE”) where the equity shares are proposed to be listed that is www.sebi.gov.in; www.pantomathgroup.com and www.bseindia.com and www.nseindia.com respectively. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

The Equity Shares have not been and will not be registered under United States Securities Act, of 1933, as amended (“U.S. Securities Act”) or any state securities laws in United States and may not be offered or sold within the United States or to, or for the account of Benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. State Securities laws. There will not and is not currently intended to be any public offering of securities in the United States. Accordingly, the Equity Shares are only being offered and sold outside the United States in reliance on Regulation S of the U.S Securities Act and the applicable laws of the jurisdiction where these offer and sales occur.



EXXARO TILES LIMITED

(hereinafter referred as “Our Company”/ “The Company”/ “The Issuer”)

CIN: U26914GJ2008PLC052518

Registered and Corporate Office: Survey No. 169 & 170, Vavdi Harsol Road, At & Po.: Mahelav, Taluka: Talod, District.: Sabarkantha - 383 305, Gujarat, India

E-mail: cs@exxarotiles.com; **Website:** www.exxarotiles.com

Contact Person: Paras Shah, Company Secretary and Compliance Office

PROMOTERS OF OUR COMPANY: MR. MUKESHKUMAR PATEL; MR. KIRANKUMAR PATEL; MR. DINESHBHAI PATEL AND MR. RAMESHBHAI PATEL

OFFER DETAILS, LISTING & PROCEDURE

INITIAL PUBLIC OFFERING OF UPTO 13,424,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●]* PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹[●] MILLION, COMPRISING A FRESH ISSUE OF UPTO 111,86,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 2,238,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MR. DIXITKUMAR PATEL (“SELLING SHAREHOLDER”) (“OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, “OFFER”). THE OFFER WILL CONSTITUTE [●] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THIS OFFER INCLUDES A RESERVATION OF UP TO 268,500 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE “EMPLOYEE RESERVATION PORTION”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WOULD CONSTITUTE AT LEAST [●]% AND [●]%, RESPECTIVELY, OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, MAY OFFER A DISCOUNT OF UP TO ₹ [●] OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (“EMPLOYEE DISCOUNT”).

** Our Company and the Selling Shareholder in consultation with the BRLM, may offer a discount of up to 10% of the Offer Price to Eligible Employees bidding in the Employee Reservation Portion.*

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

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received ‘in-principle’ approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated April 1, 2021 and May 3, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE.

PROCEDURE

If you wish to know about processes and procedures applicable to public issues, you may request for a copy of the General Information Document (GID) from BRLM or download it from the websites of Stock Exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) and BRLM (www.pantomathgroup.com)

ELIGIBILITY FOR THE OFFER

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") as amended through the Book Building Process and in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

Whether the company is compulsorily required to allot at least 75% of the net issue to public, to qualified institutional buyers – No

INDICATIVE TIMELINE

The below dates are indicative. However actual dates may vary.

Bid/ Offer Opening Date*	August 4, 2021	Initiation of Refunds For Anchor Investors/ Unblocking Of Funds From Asba Account***	On or about August 12, 2021
Bid/ Offer Closing Date**§	August 6, 2021	Credit of Equity Shares To Depository Accounts	On or about August 13, 2021
Finalisation of basis of allotment with the Designated Stock Exchange	On or about August 11, 2021	Commencement of trading of Equity Shares on the Stock Exchange	On or about August 17, 2021

* Our Company and the Selling Shareholder (Mr. Dixit Kumar Patel) may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

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

§ The UPI mandate end time and date shall be 12 P.M. on Monday, August 9, 2021.

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/Offer Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/ DIL1/CIR/P/2021/47 dated March 31, 2021 and 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, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The equity shares 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 the Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" at page 22 of the Red Herring Prospectus.

PRICE INFORMATION OF BRLM

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No.	Issue name	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Deccan Health Care Limited	28.40% (-1.32%)	7.05% (7.22%)	-10.55% (9.22%)
2.	Surani Steel Tubes Limited	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
3.	Ritco Logistics Limited	-5.00% (-0.81%)	-3.49% (3.53%)	-8.70% (-0.73%)
4.	Artedz Fabs Limited	5.56% (1.12%)	-9.44% (1.92%)	-34.17% (-0.31%)
5.	Par Drugs and Chemicals Limited	-6.47% (5.03%)	-7.84% (-2.94%)	-11.96% (5.83%)
6.	Suich Industries Limited	-42.00% (-2.53%)	-61.93% (-6.53%)	-80.67% (1.88%)
7.	Gensol Engineering Limited	0.06% (4.18%)	0.06% (8.03%)	2.41% (-22.37%)
8.	Mangalam Global Enterprises Limited	1.96% (0.21%)	5.10% (-2.24%)	Not Available*
9.	Madhav Copper Limited (FPO)	-23.04% (-9.46%)	Not Available*	Not Available*
10.	V-Marc India Limited	-15.48 % (-0.08%)	-31.08 % (7.04%)	Not Available

*Since, Mangalam Global Enterprises Limited and Madhav Copper Limited are migrated from SME platform to Main board platform, historical price of such scripts are not available.

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

For further details, please refer to price information of past issues handled by BRLM on page 205 of the RHP.

Name of Book Running Lead Manager and contact details (telephone and email id) of BRLM	Pantomath Capital Advisors Private Limited Tel No: +91 22 6194 6700 Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact person: Kruthika Shetty
Names of Syndicate Members	Pentagon Stock Brokers Private Limited
Name of Registrar to the Issue and contact details (telephone and email id)	Link Intime India Private Limited Tel: +91 22 4918 6200 E-mail: exxaro.ipo@linkintime.co.in Investor Grievance e-mail: exxaro.ipo@linkintime.co.in
Name of Statutory Auditor	M/s. H.B. Kalaria & Associates, Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self Certified Syndicate Banks	<p>The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to time.</p> <p>In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, which may be and 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 http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time</p>
Non Syndicate Registered Brokers	You can submit Bid cum Application Forms in the Issue to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled "Offer Procedure" beginning at page 219 of the Red Herring Prospectus.
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to the issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	The list of the Registered Brokers is provided on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com respectively, or such other website as updated from time to time. The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, 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. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, 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. For further details, see "Offer Procedure" on page 219 of the RHP.

PROMOTER OF OUR COMPANY

Mr. Mukeshkumar Patel; Mr. Kirankumar Patel; Mr. Dineshbhai Patel; And Mr. Rameshbhai Patel are the promoters of our company.

Details of our promoters:

Mr. Mukeshkumar Patel, aged 43 years, is the Chairman and Managing Director and one of the promoters of our Company. He has been on the Board of Directors of our Company since the year 2012. He has been appointed as the Managing Director of the Company on January 6, 2021 and designated as Chairman with effect from January 8, 2021.

Mr. Kirankumar Patel, aged 37, is a Whole Time Director and one of the promoters of our Company with effect from January 6, 2021. He has been on the Board of Directors since 2012.

Mr. Dineshbhai Patel, aged 52, is a Whole Time Director and one of the promoters of our Company with effect from January 6, 2021. He has been on the Board of Directors since 2014.

Mr. Rameshbhai Patel, aged 45, is one of the promoters of our Company and has been associated with our Company since 2012. He is currently the Manager - Production Operations of Unit I.

For the complete profile of our promoters (including in relation to their experience), please refer to the chapter titled “*Our Management*” and Our Promoters and Promoter Group” beginning on page 141 and page 154, respectively, of the RHP.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Business Overview:- We are engaged in manufacturing and marketing of vitrified tiles used majorly for flooring solutions. We commenced business as a partnership firm in 2007-08 as a manufacturer of frit, which is one of the raw materials used in manufacturing of tiles and have over the years, diversified, expanded and evolved into a manufacturer for vitrified tiles. We mainly deal in two product categories i.e. Double Charged Vitrified Tiles and Glazed Vitrified Tiles. As on date, we supply products mainly in 6 sizes. We have 1000+ designs in our product basket, which are marketed under our brand “Exxaro”.

Our Strengths:- 1) State-of-the-art manufacturing facilities with strong focus on design and quality. 2) Widespread sales and dealers network. 3) Wide product portfolio comprising 1000+ designs. 4) Experienced management and dedicated employee base.

Our Strategies:- 1) Strengthen our brand value. 2) Expand our dealer network in existing markets and increase our export presence. 3) Increase our sales by enhancing our manufacturing capacities and procuring materials on outsourced basis. 4) Continue to improve operating efficiencies through technology enhancements and setting up own gas station.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole time/ Executive/ Nominee)	Experience including current/ past position held in other firms
1	Mr. Mukeshkumar Patel	Chairman and Managing Director	Mr. Mukeshkumar Patel , aged 43 years is the Promoter, Chairman and Managing Director of our Company. He has been on the Board of Directors of our Company since January 24, 2012. He has been appointed as the Managing Director of the Company on January 6, 2021 and designated as Chairman with effect from January 8, 2021. He does not have a formal education degree. Prior to joining our Company, he was associated with Classic Microtech Private Limited from 2007 to 2011 as Account Finance Manager and was involved in managing the finances of the company, during his association. He has also been associated with Regent Granito (India) Limited as Manager Account and Finance from 2002 till 2007. He possesses approximately 19 years of experience in handling and dealing with financial and marketing operations in building material & Ceramic Industry. He has been instrumental in planning and formulating the overall business and commercial strategy and developing business relations of our Company. He looks after and manages the entire accounting and financial operations of our Company.
2	Mr. Kirankumar Patel	Whole-time Director	Mr. Kirankumar Patel , aged 37 years, is Whole-time Director and one of the Promoters of our Company. He has been on the Board of Directors since January 24, 2012. He has been appointed as the Whole-Time Director of our Company on January 6, 2021. He does not have a formal education degree. Prior to joining our Company, he was a proprietor of a proprietary concern, M/s. Sunshine Vitrified Tiles from 2006 till 2011. He possesses over 15 years of experience in sales and marketing operations and in the manufacturing industry. He manages the entire Sales and Distribution process and also leads and monitors the human resources department.
3	Mr. Dineshbhai Patel	Whole-time Director	Mr. Dineshbhai Patel , aged 52 years, is Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since 2014. He has been appointed as the Whole-Time Director of our Company on January 6, 2021. He does not have a formal education degree. Prior to joining our Company, he was associated with Regent Granito (India) Limited from 2002 till 2007 as Manger Production and Operations and with Classic Microtech Private Limited from 2007 to 2012 as Manager – Production Operations and was involved in managing production activities of the aforesaid companies, during his association. He has an experience profile spanning 18 years covering production activities, streamlining of processes and procedures to facilitate smooth production process & enhanced productivity in the manufacturing industry. He manages the entire production and administrative operations at manufacturing facility of the Company at Talod.
4	Mr. Kamal Dave	Independent Director	Mr. Kamal Dave , aged 42 years, is the Independent Director of our Company. He has been associated with our Company since 2021. He is a practicing Chartered Accountant and is the sole proprietor of M/s. Kamal Dave and Co. since 2009 till date and a member of the Institute of Chartered Accountants of India. He has an overall work experience of 12 years in the field of accounts and finance.
5	Mr. Daxeshkumar Thakkar	Independent Director	Mr. Daxeshkumar Thakkar , aged 46 years, is the Independent Director of our Company. He has been associated with our Company since 2021. He holds a bachelors’ degree in law from North Gujarat University. He has over 22 years of work experience in the legal field as an independent legal tax consultant and provides legal tax consultancy services through his own consulting firm, Daxesh M. Thakkar, Advocate from 1999 till date. He is also on the board of Akshar Ispat Limited.
6	Mrs. Nidhi Gupta	Independent Director	Mrs. Nidhi Gupta , aged 40, is the Independent Director of our Company. She has been associated with our Company since 2021. She is a member of the Institute of Chartered Accountants of India. She has an overall work experience of 6 years in the field of accounts and finance and has worked as a Chartered Accountant at Kalani & Company, Chartered Accountants from 2008 to 2012 and with the Sandesh Limited as Senior Officer – General Accounts from 2016 to 2018. She is currently working as Assistant Manager Accounts & Finance with Satyesh Brinechem Private Limited.

For further details in relation to our Board of Directors, see “Our Management” on page 141 of the RHP.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder.

The Offer for Sale- Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholder. However except for the listing fees which shall be solely borne by the Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the offered shares sold by the Selling Shareholder in the Offer for Sale.

The Fresh Issue- Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

- Prepayment/repayment of certain secured borrowings availed by our Company;
- Funding the working capital requirements of the Company; and
- General corporate purposes.

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. As on July 14, 2021, our Company has deployed ₹ 16.01 million towards one of the Objects of the Offer being prepayment/repayment of certain secured borrowings availed by our Company.

(₹ in million)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2021-22)
1	Prepayment/repayment of certain secured borrowings availed by our Company	500.00	500.00
2	Funding the working capital requirements of the Company	450.00	450.00
3	General corporate purposes ⁽¹⁾	[●]	[●]

⁽¹⁾ To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The aggregate amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the Objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Details of Means of Finance: The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals, networth and existing debt financing. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Axis Bank Limited

Terms of Issuance of Convertible Security, if any: Not Applicable

Number/amount of equity shares proposed to be sold by selling shareholders, if any: Upto 22,38,000 Equity shares by Dixitkumar Patel

For further details, see “Objects of the Offer” on page 85 of the RHP.

SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter & Promoter Group	18,821,131	56.09%
2.	Public	14,733,939	43.91%
	Total	33,555,070	100.00

RESTATED AUDITED FINANCIALS

(₹ In Millions, except per share data)

Particulars	For the year ended March 31,		
	2021	2020	2019
Total income from Operations (net)	2,551.45	2,407.42	2,422.51
Net Profit / (Loss) before Tax and Extra-ordinary items/	171.61	121.69	76.76
Net Profit / (Loss) after Tax and Extra-ordinary items	152.23	112.59	89.17
Equity Share Capital	335.55	335.55	335.55
Reserves and Surplus	1024.83	871.84	759.03
Net Worth	1360.38	1207.39	1094.58
Basic & Diluted Earnings per Share based on Weighted Average Number of Shares	4.54	3.36	2.66
Return on Net Worth (%)	11.88%	9.97%	8.78%
Net Asset Value Per Share (₹)	38.20	33.64	30.28

INTERNAL RISK FACTORS

The below mentioned risks are top 10 risk factors as per the Red Herring Prospectus. [Kanga Comment: Please include top 10 RFs.]

1. Volatility in the supply and pricing of our raw materials and stores & spares may have an adverse effect on our business, financial condition and results of operations.
2. The shortage or non-availability of power, fuel and water facilities may adversely affect our vitrified tiles manufacturing process and have an adverse impact on our results of operations and financial condition. We are further exposed to fluctuations in the prices of power & fuel and an inability to pass on increased costs may adversely affect our profitability.
3. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations. Further, failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.
4. Our lenders have charge over our movable and immovable properties in respect of finance availed by us. Our inability to meet our obligations under our debt financing arrangements could adversely affect our business, results of operations and cash flows.
5. Intellectual property rights are important to our business and we may be unable to protect them from being infringed by others which may adversely affect our business value, financial condition and results of operations.
6. Our manufacturing operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition. Further our manufacturing facilities are concentrated in a single region i.e. Gujarat and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.
7. An inability to expand or manage our distribution network for business or the loss of any significant dealer may adversely affect our business and results of operations.
8. We are subject to various risks associated with the overseas markets in which we may operate, including but not limited to foreign currency exchange rate fluctuations and tax, if any. These risks may have an adverse effect on our business, prospects, results of operations and financial condition.
9. Our business is dependent on the performance of the real estate, infrastructure and other related industries where our products are utilized. Uncertainty regarding the real estate market, infrastructure sector, economic conditions and other factors beyond our control could adversely affect demand for our products, our costs of doing business and our financial performance.
10. Any adverse change in regulatory requirements governing our products and the products of our customers, may adversely impact our business, prospects, results of operations and financial condition.

For further details, see “Risk factors” beginning on page 22 of the RHP.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

- A. Total number of outstanding litigations against the company and amount involved :-
There are a total 3 (three) indirect tax related matters filed against our Company as on date of the RHP and the total amount involved in the said matters is ₹ 12.42 million.
- B. Brief details of top 5 material outstanding litigations against the company and amount involved: In terms of the materiality policy approved by our Board, in its meeting held on February 1, 2021, there are no outstanding material litigations against our Company.
- C. Regulatory action, if any – disciplinary action taken by SEBI or Stock Exchange against the Promoters / Group Companies in last 5 financial years including outstanding action, if any – **None**
- D. Brief details of outstanding criminal proceedings against Promoters – **None**

For further details, see “Outstanding Litigation and Material Developments” beginning on page 192 of the RHP.

ANY OTHER IMPORTANT INFORMATION AS PER BOOK RUNNING LEAD MANAGER/ISSUER COMPANY - NIL

DECLARATION BY THE COMPANY

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013 the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules framed or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in the RHP are true and correct.

DECLARATION BY THE SELLING SHAREHOLDER

I, Mr. Dixitkumar Patel, hereby confirm that all statements, disclosures and undertakings made or confirmed by me in the Red Herring Prospectus in relation to myself, as a Selling Shareholder and my Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company or any other person(s) in the Red Herring Prospectus.

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