

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 dated February 22, 2021 (the “RHP” or “Red Herring Prospectus”). You are encouraged to read greater details available 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). You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the Stock Exchanges (as defined below), Members of the Syndicate, Registered Brokers, Collecting Depository Participants (“CDPs”), Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Bankers to the Offer, investors’ associations or Self Certified Syndicate Banks (“SCSBs”). You may also download the RHP from the websites of the Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in, the Stock Exchanges where the Equity Shares (as defined below) are proposed to be listed, i.e., BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE” or “Designated Stock Exchange” and together with BSE, the “Stock Exchanges”) at www.bseindia.com and www.nseindia.com respectively and the Book Running Lead Managers (“BRLMs”) at www.jmfl.com and www.iifcap.com.

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 may only be accessed by investors outside of India that have read the Preliminary Offering Memorandum of the Company dated February 22, 2021, a copy of which is available to eligible investors from the BRLMs.

**MTAR TECHNOLOGIES LIMITED**

Our Company was incorporated as ‘MTAR Technologies Private Limited’ pursuant to a certificate of incorporation dated November 11, 1999 issued by the erstwhile Registrar of Companies, Andhra Pradesh at Hyderabad, upon the conversion of ‘M/s Machine Tools Aids and Reconditioning’, a partnership firm, into a private limited company, in accordance with the provisions of Part IX of the Companies Act, 1956. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to ‘MTAR Technologies Limited’, and a fresh certificate of incorporation dated November 2, 2020 was issued to our Company by the RoC. For further details on the changes in the name and registered office of our Company, see “History and Certain Corporate Matters” on page 247 of the RHP.

Registered and Corporate Office: 18, Technocrats Industrial Estate, Balanagar, Hyderabad 500 037, Telangana, India; **Tel:** +91 40 4455 3333

Contact Person: Shubham Sunil Bagadia, Company Secretary and Compliance Officer; **Tel:** + 91 40 4455 3333; **E-mail:** shubham.bagadia@mtar.in

Website: www.mtar.in; **Corporate Identity Number:** U72200TG1999PLC032836

OUR PROMOTERS: PARVAT SRINIVAS REDDY, P. LEELAVATHI, K. SHALINI, D. ANITHA REDDY, C. USHA REDDY, G. KAVITHA REDDY, ANUSHMAN REDDY, P. KALPANA REDDY, SARANYA LOKA REDDY, A. MANOGNA AND M. MADHAVI

OFFER DETAILS, LISTING AND PROCEDURE

INITIAL PUBLIC OFFERING OF UP TO 10,372,419 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF MTAR TECHNOLOGIES LIMITED (“OUR COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 10 PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹ 103.72419 MILLION. THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO 2,148,149 EQUITY SHARES* AGGREGATING UP TO ₹ 21.48149 MILLION (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 8,224,270 EQUITY SHARES AGGREGATING UP TO ₹ 82.24270 MILLION, COMPRISING UP TO 450,000 EQUITY SHARES BY P. LEELAVATHI, UP TO 300,000 EQUITY SHARES BY PARVAT SRINIVAS REDDY, UP TO 149,970 EQUITY SHARES BY P. KALPANA REDDY, UP TO 300,000 EQUITY SHARES BY SARANYA LOKA REDDY, UP TO 200,000 EQUITY SHARES BY C. USHA REDDY, UP TO 300,000 EQUITY SHARES BY G. KAVITHA REDDY, UP TO 125,000 EQUITY SHARES BY D. ANITHA REDDY, UP TO 225,000 EQUITY SHARES BY K. SHALINI AND UP TO 300,000 EQUITY SHARES BY A. MANOGNA (COLLECTIVELY THE “PROMOTER SELLING SHAREHOLDERS”) AND UP TO 5,784,300 EQUITY SHARES BY FABMOHUR ADVISORS LLP AND UP TO 90,000 EQUITY SHARES BY P. SIMHADRI REDDY (COLLECTIVELY THE “INVESTOR SELLING SHAREHOLDERS”), AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE “SELLING SHAREHOLDERS”) (THE “OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”), THE OFFER WILL CONSTITUTE 10% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED 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 THE HYDERABAD EDITION OF SURYA (A WIDELY CIRCULATED TELUGU DAILY NEWSPAPER, TELUGU BEING THE REGIONAL LANGUAGE OF TELANGANA WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (“BSE”) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, TOGETHER WITH BSE, THE “STOCK EXCHANGES”) FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

* OUR COMPANY HAS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, UNDERTAKEN A PRE-IPO PLACEMENT OF 1,851,851 EQUITY SHARES, AGGREGATING TO ₹ 1,851.851 MILLION (“PRE-IPO PLACEMENT”). THE SIZE OF THE FRESH ISSUE AS DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS, OF UP TO 4,000,000 EQUITY SHARES, HAS BEEN REDUCED BY 1,851,851 EQUITY SHARES PURSUANT TO THE PRE-IPO PLACEMENT, AND ACCORDINGLY, THE FRESH ISSUE IS OF UP TO 2,148,149 EQUITY SHARES.

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 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 respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank.

The Equity Shares to be Allotted through the RHP are proposed to be listed on the Stock Exchanges. Our Company has received ‘in-principle’ approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated January 1, 2021 and January 20, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be NSE.

PROCEDURE

If you wish to know about processes and procedures applicable to public issues, you may request for a copy of the GID from the BRLMs or download it from the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com or from the websites of the BRLMs at www.jmfl.com and www.iifcap.com respectively.

ELIGIBILITY FOR THE OFFER – REGULATION 6(1) OF THE SEBI ICDR REGULATION

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”) 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 Offer to Qualified Institutional Buyers – No

INDICATIVE TIMELINE

BID/OFFER OPENS ON	Wednesday, March 3, 2021*	Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account**	On or about Friday, March 12, 2021
BID/OFFER CLOSES ON	Friday, March 5, 2021	Credit of Equity Shares to demat accounts of Allottees	On or about Monday, March 15, 2021
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, March 10, 2021	Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Tuesday, March 16, 2021

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

** 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 at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date 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.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the 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 29 of the RHP and "Internal Risk Factors" on page 7 of this Abridged Prospectus.

PRICE INFORMATION OF BRLMs

S. No.	Issue Name	Name of Merchant Banker	+/- % change in closing price, +/- % change in closing benchmark		
			30 th calendar days from listing	90 th calendar days from listing	180 th calendar days from listing
1	Stove Kraft Limited	JM Financial	Not Applicable	Not Applicable	Not Applicable
2	Burger King India Limited	JM Financial	146.50% [7.41%]	Not Applicable	Not Applicable
3	Equitas Small Finance Bank Limited	JM Financial, IIFL Securities	5.45% [12.34%]	19.55% [16.84%]	Not Applicable
4	UTI Asset Management Company Limited	JM Financial	-10.43% [5.87%]	-0.60% [20.25%]	Not Applicable
5	Mazgaon Dock Shipbuilders Limited	JM Financial	18.90% [5.87%]	52.90% [20.25%]	Not Applicable
6	Prince Pipes and Fittings Limited	JM Financial	+0.14% [-1.63%]	-44.33% [-29.34%]	-35.00% [-15.28%]
7	Ujjivan Small Finance Bank Limited ¹	JM Financial, IIFL Securities	+41.08% [+2.38%]	+10.27% [-12.70%]	-16.62% [-15.07%]
8	Spandana Sphoorty Financial Limited	JM Financial, IIFL Securities	-0.56% [-2.14%]	+52.76% [+7.61%]	+17.32% [+9.59%]
9	Sterling and Wilson Solar Ltd	IIFL Securities	-21.88% [-1.60%]	-48.63% [+7.97%]	-64.78% [+9.95%]
10	CSB Bank Ltd	IIFL Securities	+8.36% [+1.98%]	-12.18% [-7.56%]	-36.95% [-20.45%]
11	Mrs. Bectors Food Specialities Ltd ²	IIFL Securities	+37.69% [+4.53%]	Not Applicable	Not Applicable
12	Antony Waste Handling Cell Limited	IIFL Securities	-10.27% [-2.74%]	Not Applicable	Not Applicable

Source: www.nseindia.com

¹ Ujjivan Small Finance Bank Limited - A discount of ₹2 per Equity Share was offered to Eligible Ujjivan Financial Services Limited Shareholders bidding in Ujjivan Financial Services Limited Shareholders Reservation Portion.

² Mrs. Bector Food Specialities Ltd - A discount of ₹15 per Equity Shares was offered to the Eligible Employees of the Company bidding in the Employee Reservation Portion.

Notes:

- Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each BRLM with common issues disclosed once.
- The CNX NIFTY is considered as the Benchmark Index.
- 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.
- Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- Not Applicable - Period not completed.

For further details, please refer to price information of past issues handled by BRLMs on pages 450, 451 and 452 of the RHP.

NAMES OF BRLMS AND CONTACT DETAILS OF EACH BRLM

JM Financial Limited Tel: + 91 22 6630 3030 Email: mtar.ipo@jmf.com Investor grievance e-mail: grievance.ibd@jmf.com	IIFL Securities Limited Tel: + 91 22 4646 4600 Email: mtar.ipo@iiflcap.com Investor grievance e-mail: ig.ib@iiflcap.com
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Name of Syndicate Member	JM Financial Services Limited
Name of Registrar to the Offer and contact details	KFin Technologies Private Limited Telephone: +91 40 6716 2222 E-mail: mtar.ipo@kfintech.com Investor grievance e-mail: einward.ris@kfintech.com Contact Person: M. Murali Krishna
Statutory Auditor of the Company	M/s S. R. Batliboi & Associates LLP, Chartered Accountants
Self Certified Syndicate Banks	<p>The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs and Eligible EHL Shareholders Bidding in the EHL Shareholder Reservation Portion using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.</p> <p>Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications which are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/ DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website from time to time.</p>
Registered Brokers	<p>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. For further details, see section "Offer Procedure" on page 464 of the RHP.</p>

Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable	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/ipo/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/ipo/asba_procedures.htm , as updated from time to time. For further details, see “Offer Procedure” on page 464 of the RHP.
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PROMOTERS OF OUR COMPANY

Parvat Srinivas Reddy, P. Leelavathi, K. Shalini, D. Anitha Reddy, C. Usha Reddy, G. Kavitha Reddy, Anushman Reddy, P. Kalpana Reddy, Saranya Loka Reddy, A. Manogna and M. Madhavi are the Promoters of our Company.

Details of our Promoters: Parvat Srinivas Reddy has been a director on our Board since March 11, 2015 and was appointed as our Managing Director on September 1, 2020. He has over 29 years of work experience. Before his appointment as the Managing Director of our Company, he served as the managing director of Ravileela Granites Limited and has acted as a consultant to our Company. Anushman Reddy has been associated with our Company for over four years, and currently heads the exports division of our Company. P. Kalpana Reddy has over 20 years’ experience in equity markets and is a director of Northeast Broking Services Limited. Saranya Loka Reddy has approximately 20 years of experience in the field of capital markets. She is an executive director of Northeast Broking Services Limited. In addition to our Company, she is also a promoter of Sai Roshini Capital Private Limited. P. Leelavathi, K. Shalini, D. Anitha Reddy, C. Usha Reddy, G. Kavitha Reddy, A. Manogna, and M. Madhavi are all currently homemakers.

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

We are a leading precision engineering solutions company engaged in the manufacture of mission critical precision components with close tolerances (5-10 microns), and in critical assemblies, to serve projects of high national importance, through our precision machining, assembly, testing, quality control, and specialized fabrication competencies, some of which have been indigenously developed and manufactured (*Source: Company Commissioned CRISIL Report*). We primarily serve customers in the clean energy, nuclear and space and defence, sectors. Since inception, we have strived to grow continually, contributing to the Indian civilian nuclear power programme, Indian space programme, Indian defence and aerospace sector, as well as to the global clean energy sector and the global defence and aerospace sector.

Our Competitive Strengths: 1) Precision engineering expertise with complex product manufacturing capability 2) Wide product portfolio leading to long-standing relationships with our customers 3) Modern technology at our state-of-the-art manufacturing facilities 4) Strong and diversified supplier base for sourcing of raw materials 5) Track record of growth in financial performance 6) Experienced and qualified management team

Our strategies: 1) Continue to strengthen our existing product portfolio and diversify into products with attractive growth and profitability prospects 2) Capitalize on upward trend of nuclear sector in India, increasing indigenization and policy initiatives in the defence sector, and commercialization of Indian space sector 3) Focus on deepening and strengthening our relationships with our existing customers as well as catering to new customers 4) Expand international presence including through increase in exports 5) Grow our manufacturing capacity and increase market share through organic and inorganic routes 6) Continue to strive for operational efficiencies, supply chain rationalisation and effective planning

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/past position held in other firms
1.	Subbu Venkata Rama Behara	Chairman & Independent Director	Apart from his association with our Company, he is a director on the boards of Ola Electric Mobility Private Limited, Greaves Cotton Limited and Ampere Vehicles Private Limited, amongst others.
2.	Parvat Srinivas Reddy	Managing Director	He has been a director on our Board since March 11, 2015 and was appointed as our Managing Director on September 1, 2020. He has over 29 years of work experience. Before his appointment as the Managing Director of our Company, he served as the managing director of Ravileela Granites Limited and has acted as a consultant to our Company.
3.	Mathew Cyriac	Nominee Director	He has previously worked with Blackstone Advisors India Private Limited and is currently a director on the board of Florintree Advisors Private Limited.
4.	Venkatasatishkumar Reddy Gangapatnam	Non-Executive Director	Apart from his association with our Company, he is a director on the board of Rasun Ace Infra Private Limited, Acecorp Group Private Limited and Magnatar Aero Systems Private Limited.
5.	Praveen Kumar Reddy Akepati	Additional Director	Prior to becoming a Director of our Company, he worked with our Company for over 18 years, and has previously served as our vice president of projects.
6.	Gnana Sekaran Venkatasamy	Independent Director	He has previously served with the Defence Research and Development Organisation in various capacities, including as the Director of the Advanced Systems Laboratory.
7.	Vedachalam Nagarajan	Independent Director	He had worked with the Indian Space Research Organisation for over 35 years in many capacities, including as a director of the ISRO Inertial Systems Unit and the Liquid Propulsion Systems Centre. He has also been conferred an honorary distinguished professorship at the Department of Space of the Vikram Sarabhai Space Centre.
8.	Udaymitra Chandrakant Muktibodh	Independent Director	He has formerly served with the Nuclear Power Corporation of India Limited in various capacities, including as its technical director.
9.	Krishna Kumar Aravamudan	Independent Director	He has previously served the State Bank of India as its managing director. He has also served as a director on the boards of Central Depository Services (India) Limited, REC Limited, TVS Wealth Private Limited and SBI Payment Services Private Limited
10.	Ameeta Chatterjee	Independent Director	She has previously worked as the general manager of investments and acquisitions at Leighton Contractors (India) Private Limited. She is currently a director on the boards of directors of Nippon Life Asset Management Limited and JSW Infrastructure Limited.

For further details, please see “Our Management” on page 252 of the RHP.

OBJECTS OF THE OFFER

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

Offer for Sale: Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale, net of their respective portion of the Offer related expenses.

Fresh Issue: Our Company proposes to utilise the Net Proceeds from the Fresh Issue and the proceeds of the Pre-IPO Placement towards funding the following objects:

1. Repayment / prepayment in full or in part, of borrowings availed by our Company
2. Funding working capital requirements; and
3. General corporate purposes.

Net Proceeds: The details of the proceeds of the Fresh Issue are summarised in the table below:

Particulars	Amount* (₹ in million)
Gross Proceeds from the Fresh Issue [^]	●
Less: Estimated Offer related expenses in relation to the Fresh Issue	●
Net Proceeds	●

* To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filing with the RoC.

[^] After adjusting for the proceeds received pursuant to the Pre-IPO Placement of 1,851,851 Equity Shares, aggregating to ₹ 1,000.00 million. The size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus, of up to 4,000,000 Equity Shares accordingly has been reduced by 1,851,851 Equity Shares pursuant to the Pre-IPO Placement, and accordingly, the Fresh Issue is of up to 2,148,149 Equity Shares

Utilisation of Net Proceeds: The Net Proceeds and the proceeds of the Pre-IPO Placement are currently expected to be deployed in accordance with the schedule set forth below: (₹ in million)

Particulars	Amount which will be financed from Net Proceeds and the Pre-IPO Placement ⁽¹⁾	Estimated Utilization of Net Proceeds and the Pre-IPO Placement	
		Fiscal 2022	Fiscal 2023
Repayment or prepayment in full or part of borrowings availed by our Company	630.00	630.00	-
Funding working capital requirements	950.00	620.00	330.00
General corporate purposes ⁽²⁾	●	●	●
Total	●	●	●

⁽¹⁾ To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount shall not exceed 25% of the Gross Proceeds and the proceeds of the Pre-IPO Placement.

Means of finance : The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds and the proceeds of the Pre-IPO Placement. 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, existing working capital funding from the banks and internal accruals as required under the SEBI ICDR Regulations.

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

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

Name of Monitoring Agency: Axis Bank Limited.

Shareholding Pattern as on the date of the RHP:

Particulars	Pre-Offer number of shares	% holding of Pre-Offer
Promoter and Promoter Group	17,808,046*	62.24%
Public	10,803,396	37.76%
Total	28,611,442	100.00%

* Including 1,204,080 Equity Shares held in the demat account of the late P. Girija, pending transmission following her demise. P. Jayaprakash Reddy, along with certain others, has filed an application for the transmission of such Equity Shares to him.

Number of Equity Shares proposed to be sold by Selling Shareholders:

Selling Shareholder	Number of Equity Shares offered in the Offer for Sale
P. Leelavathi	450,000 Equity Shares
Parvat Srinivas Reddy	300,000 Equity Shares
P. Kalpana Reddy	149,970 Equity Shares
Saranya Loka Reddy	300,000 Equity Shares
C. Usha Reddy	200,000 Equity Shares
G. Kavitha Reddy	300,000 Equity Shares
D. Anitha Reddy	125,000 Equity Shares
K. Shalini	225,000 Equity Shares
A. Manogna	300,000 Equity Shares
Fabmohur Advisors LLP	5,784,300 Equity Shares
P. Simhadri Reddy	90,000 Equity Shares

RESTATED FINANCIAL INFORMATION

The following information has been derived from our Restated Financial Statements for the last three Fiscals and the nine month periods ended December 31, 2020 and December 31, 2019, all calculated on an unconsolidated basis:

(₹ in million, except per share data)

Particulars	As at and for the Fiscal ended			As at and for the nine months ended	
	March 31, 2018	March 31, 2019	March 31, 2020	December 31, 2020	December 31, 2019
Equity Share capital	282.14	282.14	267.59	267.59	282.14
Other equity	1,773.10	2,067.68	1,983.18	2,188.63	2,110.43
Net worth	2,055.24	2,349.82	2,250.77	2,456.22	2,392.57
Revenue from operations	1,595.97	1,836.71	2,137.74	1,772.68	1,521.76
Restated profit before exceptional items and tax	171.55	402.61	455.53	395.96	327.61
Restated profit for the period / year	54.23	391.99	313.18	280.69	224.53
Basic and diluted, computed on the basis of restated profit attributable to equity holders (not annualised for period ended December 31, 2020 and December 31, 2019)	1.92	13.89	11.11	10.49	7.96
Net asset value (per Equity Share)	72.84	83.29	84.11	91.79	84.80
Return on Net worth (%) (not annualised for period ended December 31, 2020 and December 31, 2019)	2.64%	16.68%	13.91%	11.43%	9.38%

Further, the following information has been derived from our Restated Financial Statements for Fiscal 2020 and the nine months period ended December 31, 2020 and December 31, 2019, all calculated on a consolidated basis:

(₹ in million, except per share data)

Particulars	As at and for the Fiscal ended March 31, 2020	As at and for the nine months ended December 31, 2020	As at and for the nine months ended December 31, 2019
Equity Share capital	267.59	267.59	282.14
Other equity	1,983.18	2,188.51	2,110.43
Net worth	2,250.77	2,456.10	2,392.57
Revenue from operations	2,137.74	1,772.68	1,521.76
Restated profit before tax	455.53	395.84	327.61
Restated profit for the period / year	313.18	280.57	224.53
Basic and diluted, computed on the basis of restated profit attributable to equity holders (not annualized for period ended December 31, 2020)	11.11	10.48	7.96
Net asset value (per Equity Share)	84.11	91.78	84.80
Return on Net worth (%) (not annualised for period ended December 31, 2020 and December 31, 2019)	13.91%	11.42%	9.38%

INTERNAL RISK FACTORS

Below mentioned risks are the top 5 risk factors as per the RHP:

1. We depend on Bloom Energy Inc. ("Bloom Energy") and a limited number of other customers for a significant portion of our revenue. The loss of one or more of our top three customers or a significant reduction in demand for our products from such top three customers, our failure to succeed in tendering for projects for them in the future despite our previous track record, or a decline in their business performance may adversely affect our business, financial condition, result of operations and cash flows.
2. We depend significantly on orders from the NPCIL, ISRO and DRDO. A decline or reprioritisation of funding in the Indian budget towards the respective departments of the Government of India under which these customers operate, or delays in the budget process could adversely affect our ability to grow or maintain our sales, earnings, and cash flow. Further, the liberalisation of the defence or space sectors to allow the entry of private and foreign companies may increase the level of competition we face, and there is no assurance that we shall be able to compete effectively.
3. We primarily rely on purchase orders to govern the volume and other terms of the sales of our products. We do not have long-term supply agreements with our customers. If our customers choose not to source their requirements from us or manufacture such products in-house, our business and results of operations may be adversely affected.
4. We are subject to strict quality standards. Any failure to comply with such quality standards may lead to cancellation of existing and future orders which may adversely affect our reputation, financial conditions, cash flows and results of operations.
5. The number of orders we have received in the past and our current Order Book may not be indicative of our future growth rate or the number of orders we will receive in the future.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against and amount involved:

Litigation against our Company

(₹ in million)

Nature of cases	Number of cases	Total amount involved (to the extent quantifiable)
Litigations involving our Company		
<i>Proceedings against our Company</i>	4	36.79
Tax	2	36.79
Action by Statutory or Regulatory Authorities	2	-

B. Brief details of top five material outstanding litigations against the Company and amount involved:

Brief details of material outstanding litigations against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved
1.	The Inspector of Factories, Medchal-Malkajgiri I Circle (" Inspector "), has initiated proceedings against our Company under the Factories Act, 1948. Following an inspection carried out at Unit 1 of our Company on March 15, 2018, the Inspector has claimed that our Company had required our workers to work over-time hours for a period of over 50 hours, and had not paid over-time wages, at the rate of double the normal wages, to such workers. Accordingly, the Inspector has initiated proceedings against our Company, in this regard, before the court of the III AJCJ-cum-XXIV Metropolitan Magistrate, Kukatpally, seeking (a) a direction that our Company comply with the provisions of the Factories Act, 1948, and (b) that punishment is imposed on our Company under the provisions of the Factories Act, 1948.	The Inspector of Factories, Medchal-Malkajgiri I Circle	The matter is currently pending.	Not Quantifiable
2.	The Inspector of Factories, Medchal-Malkajgiri III Circle (" Inspector "), has initiated proceedings against our Company under the Factories Act, 1948. Following an inspection carried out at Unit II of our Company on February 28, 2018, the inspector has claimed that our Company (a) had required our workers to work over-time hours for a period of over 50 hours, (b) had not provided and maintained an adequate canteen for the use of workers, and (c) had failed to have plans of our canteen certified by the Director of Factories, Hyderabad. Accordingly, the Inspector has initiated proceedings against our Company, in this regard, before the court of the VI Metropolitan Magistrate, Cyberabad, Medchal, seeking (a) a direction that our Company comply with the provisions of the Factories Act, 1948, and (b) that punishment is imposed on our Company under the provisions of the Factories Act, 1948.	The Inspector of Factories, Medchal-Malkajgiri III Circle	The matter is currently pending	Not Quantifiable

C. Regulatory Action, if any – disciplinary action taken by SEBI or Stock Exchanges against the Promoter in the last five financial years including outstanding action, if any: Nil.

D. Brief details of outstanding criminal proceedings against the Promoters: As of the date of the RHP, there are no outstanding criminal litigation against any of our Promoters.

ANY OTHER IMPORTANT INFORMATION AS PER BRLMs/COMPANY - NIL

DECLARATION BY THE COMPANY

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or 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 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 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in the Red Herring Prospectus are true and correct.

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

The Promoter Selling Shareholders hereby certify that all statements, disclosures and undertakings made or confirmed by them in the Red Herring Prospectus in relation to themselves and the Equity Shares being offered by them in the Offer for Sale are true and correct. The Promoter Selling Shareholders assume no responsibility, as a Promoter Selling Shareholders for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in the Red Herring Prospectus.

DECLARATION BY THE INVESTOR SELLING SHAREHOLDERS

The Investor Selling Shareholders hereby certify that all statements, disclosures and undertakings made or confirmed by them in the Red Herring Prospectus in relation to themselves and the Equity Shares being offered by them in the Offer for Sale are true and correct. The Investor Selling Shareholders assume no responsibility as Investor Selling Shareholders, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in the Red Herring Prospectus.

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