



SHERA ENERGY LIMITED

Our Company was originally incorporated as a Private Limited Company in the name of "Shera Energy Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 08, 2009 issued by Registrar of Companies, Rajasthan. Pursuant to a Slump Sale agreement dated December 31, 2009, the entire business activities and movable assets of "Shera Metals and Engineers", proprietorship firm of one of our individual Promoter Mr. Sheikh Naseem, was acquired as a going concern. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013, pursuant to the approval accorded by our Shareholders at their extra-ordinary general meeting held on May 11, 2022. Consequently, the name of our Company was changed to "Shera Energy Limited" and a fresh certificate of incorporation consequent upon conversion from a private limited company to a public limited company was issued to our Company by the RoC, Rajasthan on June 02, 2022 and Corporate Identification Number is U31102RJ2009PLC030434. For details of incorporation, change of name and registered office of our company, please refer to chapter titled **"Our History and Certain Other Corporate Matters"** beginning on page 165.

Registered & Corporate Office: F-269-B, Road No. 13 VKIA, Jaipur Rajasthan 302013 India Tel No: +91- 9314434130 | Email: ca@sheraenergy.com | Website: www.sheraenergy.com Contact Person: Jyoti Goyal, Company Secretary & Compliance Officer | CIN: U31102RJ2009PLC030434

PROMOTERS OF THE COMPANY: SHEIKH NASEEM, SHIVANI SHEIKH AND M/S. ISHA INFRAPOWER PRIVATE LIMITED

THE OFFER

INITIAL PUBLIC OFFERING OF UPTO 61,76,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF SHERA ENERGY LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE), AGGREGATING UPTO ₹ [•] LAKHS** ("THE OFFER") COMPRISING A FRESH ISSUE OF UP TO 10,48,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] LAKHS ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 51,28,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ [•] LAKHS, BY EMERGING INDIA GROWTH FUND CVCF - V, OTHER SELLING SHAREHOLDER, ("OFFER FOR SALE"). THIS OFFER INCLUDES A RESERVATION OF UP TO 4,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] LAKHS (CONSTITUTING UP TO [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND RESERVATION OF UP TO 6,00,000 EQUITY SHARES, AGGREGATING TO ₹ [•] LAKHS CONSTITUTING UP TO [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("THE EMPLOYEE RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION AND THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE FULLY DILUTED POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

QIB Category: Not More Than 48.42% of the Net Offer

Retail Category: Not Less Than 35.74% of the Net Offer

Non-Institutional Investor Category: Not less than 15.84% of the Net Offer

Market Maker Reserved Category: Up to 4,00,000 Equity Shares aggregating up to Rs. [•] Lakhs**

Employee Reserved Category: Up to 6,00,000 Equity Shares aggregating up to Rs. [•] Lakhs**

Listing: The Equity Shares of our Company offered through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("**NSE EMERGE**") in terms of the Chapter IX of the SEBI ICDR Regulations, 2018, as amended from time to time. Our Company has received In-Principle approval letter dated January 18, 2023 from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Offer, National Stock Exchange of India Limited shall be the Designated Stock Exchange. 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 / Offer Closing Date, see **"Material Contracts and Documents for Inspection"** on page 479 of the Red Herring Prospectus.

Disclaimer Clause of the SEBI: Since the offer is being made in Chapter IX of the SEBI ICDR Regulation 2018, a copy of the Red Herring Prospectus is furnished to SEBI in soft copy. However, SEBI is not required to issue any observation on Red Herring Prospectus which was filed with SEBI. Hence, there is no such specific disclaimer clause of SEBI. However, Investors may refer to the entire "Disclaimer Clause of SEBI" on page 385 of the RHP.

Disclaimer Clause of the NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the RHP has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 386 of the RHP for the full text of the Disclaimer Clause of the NSE.

PRICE BAND: Rs. 55/- TO Rs. 57/- PER EQUITY SHARE OF FACE VALUE OF RS. 10/- EACH

THE FLOOR PRICE IS 5.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 5.7 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER

ASBA*

Simple, Safe, Smart way of Application !!!

***Application Supported by Block Amount is a better way of applying to issues by simply blocking the fund in the bank account. For details, check section on ASBA below. Mandatory in Public Issues. No Cheque will be accepted.**

UPI
Now Available in ASBA for Retail Individual Investors

***Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors. For details on the ASBA and UPI process, please refer to the details given in ASBA form and Abridged Prospectus and also please refer General Information Document.**

ASBA bid-cum Application forms can be obtained from Designated Branches of SCSBs, the list of banks that are available on website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.nseindia.com. List of Banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. Axis Bank Limited has been appointed as the Sponsor Bank to the offer in accordance to SEBI circular dated November 01, 2018 and April 03, 2019.

RISK TO INVESTORS

- The Average Cost of Acquisition of Equity Shares held by the Promoters and Selling Shareholder is:

Sr. No.	Name of Person	Category	Average cost of acquisition per equity share
1.	Sheikh Naseem	Individual Promoter	Rs. 7.77/-
2.	Shivani Sheikh	Individual Promoter	Rs. 7.50/-
3.	Isha Infrapower Private Limited	Corporate Promoter	Rs. 8.59/-
4.	Emerging India Growth Fund CVCFV	Selling Shareholder	Rs. 19.50

and the Issue Price at the upper end of the Price Band is Rs. 57/- Per Equity Share.

- The Merchant Banker associated with the Issue has handled 3 public issues in the past three years out of which 2 Issue closed below the Issue Price on listing date.
- The Price/Earnings Ratio based on Diluted EPS for Fiscal 2022 for the Company at upper end of the Price Band is 16.23.
- Weighted average Return on Networth for Fiscal 2022, 2021 and 2020 is 9.07%.
- The weighted average cost of acquisition of all Equity Shares transacted in the last one year and three years from the date of RHP is as give below:

Past Transactions	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 57/-) is 'X' times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price- Highest Price (in Rs.)
WACA of Primary Issuances	56.00	1.01	56.00-56.00
WACA of Secondary Transactions	21.41	2.66	20.00-50.00

- The weighted average cost of acquisition compared to floor price and cap price:

Type of transactions	Weighted Average Cost of Acquisition (Rs. Per Equity Shares)	Floor price (i.e. Rs. 55)	Cap price (i.e. Rs. 57)
WACA of Primary Issuance (except for bonus issue)	56.00	0.98	1.01
WACA for secondary sale/ acquisition not exceeding 5% of the pre issue capital	NA ^	NA	NA
WACA of secondary transactions in last 3 years	21.41	2.57	2.66

^ There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Red Herring Prospectus which are equal to or more than 5% of the fully diluted paid-up share capital of our Company.

BASIS FOR ISSUE PRICE

The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares offered in the Offer 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 Offer Price is 5.50 times of the face value at the lower end of the Price Band and 5.70 times of 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"**, **"Our Business"**, **"Financial Statements as Restated"** and **"Management's Discussion and Analysis of Financial Position and Results of Operations"** on pages 33, 141, 203 and 340 respectively, to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Strong, experienced and dedicated senior management team and qualified workforce.
- Long standing relationships with leading clientele.
- Focus on Quality and Safety.
- Established Manufacturing facility.
- Innovative Ideas.

For further details, see **"Our Business – Our Competitive Strength"** on page 144.

QUANTITATIVE FACTORS

The Information presented below relating to the company is based on the Restated Consolidated Financial Statements of the Company for the period ended on September 30, 2022 and financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020 prepared in accordance with Ind As, the Companies Act, 2013 and SEBI ICDR Regulations. For details, see the chapter titled **"Restated Consolidated Financial Statements"** and **"Other Financial Information"** beginning on pages 204 and 336.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and Diluted Earnings per Share ("EPS") as per the Restated Financial Information (Pre-Offer).

Financial Year / Period	Basic EPS (₹)	Diluted EPS (₹)	Weights
March 31, 2022	3.51	3.51	3
March 31, 2021	2.52	2.52	2
March 31, 2020	1.81	1.81	1
Weighted Average EPS			2.90
Six months Period ended September 30, 2022*			2.15

*Not Annualized

Notes:

- Basic and diluted EPS calculations are in accordance with Ind AS-33 'Earnings Per Share', notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounts) Rules, 2014.
- Basic Earnings per share = Net profit after tax as restated attributable to equity shareholders for the year/Weighted average number of equity shares outstanding during the year/ period.
- Diluted Earnings per share = Net profit after tax as restated / Weighted average number of potential equity shares outstanding during the year/ period.
- 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. i.e. (EPS x Weight) for each year/Total of weights.
- 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 time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.
- The face value of each Equity Share is ₹ 10/- each.

II. Price to Earning ("P/E") ratio in relation to Price Band of ₹55/- to ₹ 57/- per Equity Share:

Particulars	P/E at Floor Price (Number of times)	P/E at Cap Price (Number of times)
P/E based on Basic & Diluted EPS for FY 2021 – 22	15.67	16.23
P/E based on weighted average Basic & Diluted EPS	18.96	19.65

Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section:

Particulars	P/E Ratio
Highest	51.58
Lowest	15.81
Industry Composite	27.00

Notes:

- 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, see **"Comparison of Accounting Ratios with listed industry peers"** on page 112.
- The industry P/E ratio mentioned above is as computed based on the closing market price of equity shares on Stock exchange (National Stock Exchange of India Limited) as on November 22, 2022 divided by diluted EPS for the financial year ended March 31, 2022.

III. Return on Net Worth ("RoNW")

As derived from the Restated Consolidated Financial Statements of our Company:

Financial Year / Period	RoNW (%)	Weight
March 31, 2022	10.48%	3
March 31, 2021	8.27%	2
March 31, 2020	6.43%	1
Weighted Average		9.07%
Six months Period ended September 30, 2022*		6.07%

*Not Annualized

Notes:

- Return on Net Worth (%) = Net Profit/(Loss) after tax before other comprehensive income (as restated) divided by net worth (excluding revaluation reserve) as restated at the end of the year/period.
- Net worth has been computed as a sum of paid-up share capital and other equity excluding capital reserve on amalgamation.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
- The Weighted Average Return on Net Worth = Aggregate of year-wise weighed average RoNW divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal year] / [Total of weights].

IV. Net Asset Value per Equity Share (Face Value of ₹ 10/- each)

Net Asset Value per Equity Share	Amount in (₹)
Net Asset Value per Equity Share as on March 31, 2022	33.47
Net Asset Value per Equity Share after the Offer – At Cap Price	38.00
Net Asset Value per Equity Share after the Offer – At Floor Price	37.91
Offer Price per Equity Share	[•]
Net Asset Value per Equity Share as on September 30, 2022	35.38

Notes:

- Net Asset Value per Equity Share = Net worth at the end of the respective year/period divided by the weighted average number of equity shares outstanding as at the end of respective year/period.
- Net worth has been computed as a sum of paid-up share capital and other equity.

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

V. Comparison of Accounting Ratios with Listed Industry Peers:

Following is the comparison with our peer companies listed in India:

Name of the Company	Face value (Rs. per share)	Total Revenue for financial year 2022 (Rs. in Lakhs)	EPS for financial year 2022 (Rs.) Basic	Diluted	NAV per equity share	P/E (Based on Diluted EPS)	RONW (%)
Shera Energy Limited*	10	52,458.21	3.51	3.51	33.47	16.23	10.48%
Listed Peers:							
Precision Wires India Limited	1	2,69,004.55	5.45	5.45	31.55	18.53	17.27%
Rajnandini Metal Limited	10	1,02,950.00	5.43	5.43	16.05	51.58	33.86%
RamRatna Wires Limited #	5	2,01,951.27	11.06	11.06	120.45	15.81	18.37%
Cubex Tubings Limited	10	13,568.11	1.69	1.69	43.34	17.16	3.90%
Bhayanagar India Limited	2	1,09,072.57	1.37	1.37	40.21	31.93	3.40%

*Financial information of our Company is derived from the Restated Consolidated Financial Statements for the Financial Year ended March 31, 2022.

** Listed Peers closing market price as on November 22, 2022 on National Stock Exchange of India Limited has been considered for calculation of P/E.

The Company has allotted 2,20,00,000 equity shares of face value of ₹ 5/- each as Bonus Shares in the ratio of 1:1 i.e., 1 (One) Equity Share having face value of ₹ 5/- each for every 1 (One) Equity share having face value of ₹ 5/- each. The effect of issue of the Bonus Equity Shares have been considered for calculation of Earnings Per Shares for the period presented in the above results as required as per IND AS-33 "Earning Per Share".

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) from the audited financial statements of the respective companies for the year ended March 31, 2022 submitted to stock exchange i.e., National Stock Exchange of India Limited and from the respective company website.

Notes:

- Considering the nature and size of the business of the Company, the peers are not strictly comparable. However, the above Companies have been included for broad comparison.
- Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company for the year ended March 31, 2022.
- P/E Ratio has been computed based on the closing market price of equity shares on Stock exchange (National Stock Exchange of India Limited) as on November 22, 2022 divided by the Diluted EPS provided above in the table.
- For listed peers, RoNW is computed as profit after tax for the year ended March 31, 2022 divided by Total equity net of minority interest.
- Total Equity has been computed as sum of paid-up share capital and other equity.
- Net Asset Value per share ("**NAV**") (in ₹) is computed as the closing net worth divided by the equity shares outstanding as on March 31, 2022.

The Offer Price is [•] Times of the face value of the Equity Shares.

The Offer Price of ₹ [•] has been determined by our Company and the Selling Shareholder in consultation with the BRLM, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with chapters titled **"Our Business"** and **"Management's Discussion and Analysis of Financial Position and Results of Operations"** and sections titled **"Risk Factors"** and **"Financial Statements as Restated"** beginning on pages 141, 340, 33 and 203 respectively to have a more informed view.

VI. Key financial and operational performance indicators ("KPIs")

Financial KPIs of our Company (Based on Consolidated Restated Financial)

Particulars	For the Period ended on September 30, 2022*	For the Year ended on March 31 2022	2021	2020
Revenue from Operations (1) (₹ in Lakhs)	33,871.58	52,382.19	42,197.36	42,532.84
Growth in Revenue from Operations (2) (%)	-	24.14%	(0.79%)	-
Gross Profit (3) (₹ in Lakhs)	3325.68	5723.59	5195.11	5332.01
Gross Profit Margin (%) (4)	9.82%	10.93%	12.31%	12.54%
EBITDA (5) (₹ in Lakhs)	1914.70	3361.28	3263.73	2922.46
EBITDA Margin (6) (%)	5.65%	6.42%	7.73%	6.87%
Profit After Tax (7) (₹ in Lakhs)	428.25	699.50	502.67	361.43
PAT Margin (%) (8)	1.26%	1.34%	1.19%	0.85%
RoE (9) (%)	6.24%	10.97%	8.59%	6.61%
RoCE (10) (%)	16.12%	26.78%	27.40%	26.47%
Net Fixed Asset Turnover (In Times) (11)	4.10	6.28	4.93	4.87
Net Working Capital Days (12)	21	28	26	18
Operating Cash Flows (13) (₹ in Lakhs)	1717.89	1089.52	2969.64	1575.91

Notes:

* Not Annualised.

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
- Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchase of Traded goods, Changes in inventories of finished goods and work-in-progress. (4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortisation expenses, less other income. (6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- Profit After Tax Means Profit for the period/year as appearing in the Restated Consolidated Financial Statements.
- PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by capital employed.
- Net Fixed Asset Turnover is calculated as Net Turnover divided by Fixed Assets which consists of property, plant and equipment and capital work-in-progress.
- Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- Operating cash flows means net cash generated from operating activities as mentioned in the Restated Consolidated Financial Statements.

Operational KPIs of the Company on Standalone Basis

Particulars	For the Period ended on September 30, 2022*	For the Year ended on March 31 2022	2021	2020
Total Quantity Sold (in Mts)*	5,228.23	8,648.46	9,110.30	10,148.76
Average sales realization (per MTs)	524,338.44	540,002.56	403,737.06	347,818.07
Revenue split between domestic and exports				
Domestic Market (₹ in Lakhs)	27,413.61	46,592.86	36,508.00	34,660.33
Export Market (₹ in Lakhs)	0.00	109.05	273.67	638.90
Domestic Market (%)	100.00%	99.77%	99.26%	98.19%
Export Market (%)	0.00%	0.23%	0.74%	1.81%
Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers				
Top 1 (%)	8.26%	7.88%	11.80%	8.85%
Top 3 (%)	17.01%	17.69%	22.37%	21.09%
Top 5 (%)	25.40%	25.66%	30.13%	28.61%
Top 10 (%)	43.17%	39.56%	43.82%	42.95%

* Total quantity sold include sale of scrap as well

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Explanation for KPI metrics	
KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured by the Company.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Fixed Asset Turnover (In Times)	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Net Working Capital Days	Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently our company generates cash through its core business activities.
Total Quantity Sold (in MTs)	This metric helps us to track the growth in volumes of our business.
Average sales realization (per MTs)	This metric enables us to track the average pricing we are able to achieve for our products.
Revenue split between domestic and exports	This metric enables us to track the progress of our revenues in the domestic and export markets.
Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

VII. Set forth below are the details of comparison of Key performance of Indicators with our Listed industry Peers:

Particulars	Shera Energy Limited				Precision Wires India Limited				Rajnandini Metal Limited			
	For the Period ended on September 30, 2022*	2022	2021	2020	For the Period ended on September 30, 2022*	2022	2021	2020	For the Period ended on September 30, 2022*	2022	2021	2020
Revenue from Operations (1) (₹ in Lakhs)	33871.58	52382.19	42197.36	42532.84	154276.44	268314.25	171859.74	152581.5	44192.51	102825	63092	14841.74
Growth in Revenue from Operations (2) (%)	-	24.14%	(0.79%)	-	-	56.12%	12.63%	-	-	62.98%	325.10%	-
Gross Profit (3) (₹ in Lakhs)	3325.68	5723.59	5195.11	5332.01	12535.24	23430.22	17263.75	17307.12	2275.57	4249	1917	759.46
Gross Margin (%) (4)	9.82%	10.93%	12.31%	12.54%	8.13%	8.73%	10.05%	11.34%	5.15%	4.13%	3.04%	5.12%
EBITDA (5) (₹ in Lakhs)	1914.70	3361.28	3263.73	2922.46	6465.08	12430.69	8280.22	7680.72	1441	1926	1154	438.58
EBITDA Margin (%) (6)	5.65%	6.42%	7.73%	6.87%	4.19%	4.63%	4.82%	5.03%	3.26%	1.87%	1.83%	2.96%
Profit After Tax (7) (₹ in Lakhs)	428.25	699.50	502.67	361.43	3149.06	6301.08	3931	3182.44	693.11	1002	506	115.91
PAT Margin (%) (8)	1.26%	1.34%	1.19%	0.85%	2.04%	2.35%	2.29%	2.09%	1.57%	0.97%	0.80%	0.78%
RoE (9) (%)	6.24%	10.97%	8.59%	6.61%	8.13%	18.51%	13.13%	11.25%	19.99%	33.86%	25.84%	18.87%
ROCE (10) (%)	16.12%	26.78%	27.40%	26.47%	14.58%	29.26%	20.25%	20.19%	28.29%	42.19%	28.66%	12.38%
Net Fixed Asset Turnover (11)	4.10	6.28	4.93	4.87	14.51%	25.55	15.46	12.82	12.49%	41.21	25.57	19.69
Net Working Capital Days (12)	21	28	26	18	68	36.02	45.67	42.94	11	6.28	7.25	13.74
Operating Cash Flows (13) (₹ in Lakhs)	1717.89	1089.52	2969.64	1575.91	766.69	4257.45	6136.98	4832.21	709.82	(463)	494	19831

Particulars	RamRatna Wires Limited				Cubex Tubings Limited				Bhagyanagar India Limited			
	For the Period ended on September 30, 2022*	2022	2021	2020	For the Period ended on September 30, 2022*	2022	2021	2020	For the Period ended on September 30, 2022*	2022	2021	2020
Revenue from Operations (1) (₹ in Lakhs)	55437.05	228225.87	151479.51	143208.58	7922.67	13364.84	7030.01	5988.59	75317.14	157363.46	78736.40	56235.67
Growth in Revenue from Operations (2) (%)	-	50.66%	5.78%	-		90.11%	17.39%			99.86%	40.01%	
Gross Profit (3) (₹ in Lakhs)	4631.63	21567.10	13982.02	14728.45	797.32	1361.43	1155.37	1073.46	4823.66	9121.76	6712.82	6391.21
Gross Margin (%) (4)	8.35%	9.45%	9.23%	10.28%	10.06%	10.19%	16.43%	17.93%	6.40%	5.80%	8.53%	11.37%
EBITDA (5) (₹ in Lakhs)	2241.2	11735.21	6415.95	6364.07	234.44	454.79	392.96	247.36	1149.7	3096.72	1907.09	1588.18
EBITDA Margin (%) (6)	4.04%	5.14%	4.24%	4.44%	2.96%	3.40%	5.59%	4.13%	1.53%	1.97%	2.42%	2.82%
Profit After Tax (7) (₹ in Lakhs)	754.76	5417.65	1572.56	1458.34	77.93	241.75	133.02	42.91	140.3	1108.19	347.78	103.75
PAT Margin (%) (8)	1.36%	2.37%	1.04%	1.02%	0.98%	1.81%	1.89%	0.72%	0.19%	0.70%	0.44%	0.18%
RoE (9) (%)	2.81%	19.96%	7.85%	8.16%	1.24%	3.90%	2.23%	0.74%	1.01%	8.06%	2.75%	0.84%
ROCE (10) (%)	4.45%	24.63%	14.60%	17.08%	2.58%	5.02%	4.18%	1.96%	4.12%	13.66%	8.47%	7.34%
Net Fixed Asset Turnover (11)	3.63	14.75	9.48	8.68	5.10	8.41	4.57	3.61	9.82	20.53	9.74	6.91
Net Working Capital Days (12)	120	30	30	18	80	88	173	210	64	25	36	39
Operating Cash Flows (13) (₹ in Lakhs)	4956.86	15078.42	(2564.22)	6429.67	(147.94)	(1758.66)	(11.01)	336.20	1300.70	(431.87)	(7563.75)	4859.22

Notes:
* Not Annualised.
(1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
(2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
(3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchase of Traded goods, Changes in inventories of finished goods and work-in-progress.
(4) Gross Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
(5) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortisation expenses, less other income.
(6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
(7) Profit After Tax Means Profit for the period/year as appearing in the Restated Consolidated Financial Statements.
(8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
(9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity. Not calculable for peers for the period ended on September 30, 2022 as the balance sheet is not publicly available.
(10) ROCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by capital employed. Not calculable for peers for the period ended on September 30, 2022 as the balance sheet is not publicly available.
(11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Fixed Assets which consists of property, plant and equipment and capital work-in-progress. Not calculable for peers for the period ended on September 30, 2022 as the balance sheet is not publicly available.
(12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year. Not calculable for peers for the period ended on September 30, 2022 as the balance sheet is not publicly available.
(13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Consolidated Financial Statements. Not calculable for peers for the period ended on September 30, 2022 as the balance sheet is not publicly available.
**All the information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective audited/unaudited financial results and/or annual report.

VIII. Set forth details of Comparison of Operational KPIs for the Company with that of Company's listed Peers:

Particulars	Shera Energy Limited				Precision Wires India Limited				Rajnandini Metal Limited				RamRatna Wires Limited				Cubex Tubings Limited				Bhagyanagar India Limited			
	For the Period ended on September 30, 2022	For the Year ended on March 31			For the Period ended on September 30, 2022	For the Year ended on March 31			For the Period ended on September 30, 2022	For the Year ended on March 31			For the Period ended on September 30, 2022	For the Year ended on March 31			For the Period ended on September 30, 2022	For the Year ended on March 31			For the Period ended on September 30, 2022	For the Year ended on March 31		
		2022	2021	2020		2022	2021	2020		2022	2021	2020		2022	2021	2020		2022	2021	2020		2022	2021	2020
Total Quantity Sold (in MTs)	5,228.23	8,648.46	9,110.30	10,148.76	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average sales realization (per MTs)	524,338.44	540,002.56	403,737.06	347,818.07	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Revenue split between domestic and exports																								
Domestic Market	27,413.61	46,592.86	36,508.00	34,660.33	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Export Market	0.00	109.05	273.67	638.90	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Domestic Market (%)	100.00%	99.77%	99.26%	98.19%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Export Market (%)	0.00%	0.23%	0.74%	1.81%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers																								
Top 1(%)	8.26%	7.88%	11.80%	8.85%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Top 3(%)	17.01%	17.69%	22.37%	21.09%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Top 5(%)	25.40%	25.66%	30.13%	28.61%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Top 10(%)	43.17%	39.56%	43.82%	42.95%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

* Total quantity sold include sale of scrap as well.
Notes:
1. Total Quantity sold refers to the total units (MTs) of product during the year/ period.
2. Average sales realization is calculated as revenue from operations divided by total quantity sold.
3. Revenue from Domestic and Export Market refers to corresponding disclosures in the Restated Consolidated Financial Statements.
4. Contribution to Revenue from Operations of top 1/ 3/ 5/ 10 customers means aggregate revenue from top 1/ 3/ 5/ 10 products divided by total Revenue from Operations.

5. Data of Operational KPI's of the Company's listed peers is either not available in the public domain or the basis and manner of calculation of the figures mentioned is not ascertainable and therefore, may not be an accurate comparison with the Company's information not available in a comparable manner, and hence not mentioned.

Weighted average cost of acquisition:
a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).
The details of issuance of Equity Shares or convertible securities during the 18 months preceding the date of this RHP where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding Bonus Issue and employee stock options), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

S . No.	Name of the allottees/ acquirer	Date of allotment of Equity Shares	Number of Equity Shares acquired	% of fully diluted issued share capital before this allotment	Acquisition price per Equity Share (in ₹)
1.	Primary Issuance during 18 months preceding date of filing the RHP	21.01.2023	18,00,000	8.28	56.00
Weighted average cost of acquisition (WACA)					56.00

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).
There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding Bonus Issue and employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
c) Since there are no such transactions to report to under (b) therefore, information based on last 5 secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is as below:

Secondary acquisition:
Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group, Selling Shareholder, or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this RHP:

Date of transfer	Name of transferor	Name of transferee	No. of Securities	Nature of securities	Face value of securities (₹)	Price Per security (₹)	Nature of transaction	Nature of consideration	Total Consideration(in ₹)
November 18, 2022	Emerging India Growth Fund CVCF - V	Sunil Dangayach	206	Equity Shares	10/-	50/-	Transfer	Cash	10,300
June 01, 2022	Satya deo Purohit	Sahil Sheikh	1,92,857	Equity Shares	10/-	20/-	Transfer	Cash	38,57,140
June 01, 2022	Sudhir Garg	Sahil Sheikh	39,285	Equity Shares		20/-	Transfer	Cash	7,85,700
June 01, 2022	Swapan Dinesh Patel	Sahil Sheikh	14,285	Equity Shares	10/-	20/-	Transfer	Cash	2,85,700
March 08, 2022	Anita Jain	Sahil Sheikh	35,714	Equity Shares	10/-	31/-	Transfer	Cash	11,07,134
Total			2,82,347						60,45,974
Weighted average cost of acquisition (WACA)									21.41

d) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e. ₹ 55)	Cap price (i.e. ₹ 57)
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	56	0.98 times	1.01 times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	NA ^	NA	NA
Weighted average cost of acquisition of primary issuances/ secondary transactions as per paragraph (c) above.	21.41	2.57 times	2.66 times

Note:
^ There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) transactions in last 18 months from the date of this Red Herring Prospectus which are equal to or more than 5% of the fully diluted paid-up share capital of our Company.

BID/
OFFER
PROGRAMME

BID/OFFER PROGRAMME BID/OFFER OPENS FOR ANCHOR INVESTORS ON, MONDAY, FEBRUARY 06, 2023

BID/OFFER OPENS ON TUESDAY, FEBRUARY 07, 2023

BID/OFFER CLOSSES ON THURSDAY, FEBRUARY 09, 2023

In case of any revision to the price band or in case of force majeure, banking strike or similar circumstances, the Bid/Offer period will be extended by at least (3) additional Working days, following such an event, subject to the Bid/Offer period not exceeding ten (10) working days. Any revision in the Price Band and the revised Bid/Offer period, if applicable, will be widely disseminated by notification to the stock exchanges, by issuing a 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 SCSBs, the Sponsor Banks, Registered brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.
The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, from time to time. Accordingly, we have allocated the Net Offer i.e., not more than 48.42% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs" or "QIB Portion"), provided that our company and the selling shareholder in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"), of which one third shall be reserved for domestic mutual funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 35.74% of the Net Offer shall be available for allocation to Retail Individual Bidders and not more than 15.84% of the Net Offer shall be available for allocation to Non institutional bidders, under subscription, if any, in any category, except in the QIB Portion, would be met with spill-over from the other categories or a contribution of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange i.e., NSE EMERGE. For details, please refer to the section titled "Offer Procedure" on Page No. 410 of the Red Herring prospectus.

Bidders/Applicants should ensure that PAN, DPID, ClientID and UPI ID are correctly filled in the Bid cum Application Form. The PAN, DPID and ClientID provided in the Bid cum Application Form should match with the PAN, DPID and Client ID available in the depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants shall ensure that beneficiary account provided in Bid cum Application is active. Bidders/Applicants should note that PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/ Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/ Applicants as available on the records of the depositories.

The Demographic Details may be used, among other things, for giving allotment advice or for unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/ Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Contents of the Memorandum of the Company as regards its Objects: For information on the main objects and other objects of the Company, see "Our History and Certain Other Corporate Matters" on page 180 of the RHP and Clause III of the Memorandum of Association of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, see the section "Material Contracts and Documents for Inspection" on page 449 of the RHP.

Liability of the members of the Company: Limited by shares.
Amount of share capital of the Company and Capital Structure: The Authorised, Issued, Subscribed and Paid-up share capital of the Company as on the date of the RHP is as follows: the Authorised share capital of the Company is Rs