



®

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR PUBLICATION AND DISTRIBUTION OUTSIDE INDIA.

VARROC ENGINEERING LIMITED

Varroc Engineering Limited (our “**Company**” or the “**Company**”) was incorporated on May 11, 1988 at Mumbai as Varroc Engineering Private Limited, as a private limited company under the Companies Act, 1956. On July 1, 1997, our Company was converted into a deemed public company under section 43A(1A) of the Companies Act, 1956 and the word “Private” was deleted from the name of our Company. Thereafter, on January 24, 2001 our Company was again converted into a private company under section 43A(2A) of the Companies Act, 1956 and the word “Private” was added to the name of our Company. Subsequently, our Company was converted into a public limited company pursuant to approval of the Shareholders at an extraordinary general meeting held on January 25, 2018. On February 5, 2018, the name of our Company was changed to Varroc Engineering Limited and a fresh certificate of incorporation consequent upon conversion to a public limited company was issued to our Company by Registrar of Companies, Maharashtra at Mumbai (the “RoC”). For more information regarding our Company’s corporate history and changes to address of the registered office of our Company, see “History and Certain Corporate Matters” on page 222 of the Red Herring Prospectus (“RHP”).

Registered and Corporate Office: L-4, MIDC Area, Waluj, Aurangabad 431 136; Tel: +91 240 6653 700/6653 699; Fax: +91 240 2564 540; **Contact Person:** Rakesh Darji, Company Secretary and Compliance Officer; Tel: +91 240 6653 662; **Fax:** +91 240 2564 540; **E-mail:** investors@varroc.com; **Website:** www.varrocgroup.com; **Corporate Identity Number:** U28920MH1988PLC047335

INITIAL PUBLIC OFFERING OF UP TO 20,221,730 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH (THE “EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING UP TO ₹ [•] MILLION THROUGH AN OFFER FOR SALE OF (i) UP TO 1,752,560 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY, OUR PROMOTER, TARANG JAIN (“PROMOTER SELLING SHAREHOLDER”); (ii) UP TO 16,917,130 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY OMEGA TC HOLDINGS PTE. LTD. (“INVESTOR SELLING SHAREHOLDER 1”); AND (iii) UP TO 1,552,040 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY TATA CAPITAL FINANCIAL SERVICES LIMITED (“INVESTOR SELLING SHAREHOLDER 2”, WHO ALONG WITH INVESTOR SELLING SHAREHOLDER 1 ARE COLLECTIVELY HEREINAFTER REFERRED TO AS “INVESTOR SELLING SHAREHOLDERS”), (THE “OFFER FOR SALE” OR THE “OFFER” AND SUCH SHAREHOLDERS OFFERING THEIR RESPECTIVE EQUITY SHARES IN THE OFFER FOR SALE ARE COLLECTIVELY HEREINAFTER REFERRED TO AS THE “SELLING SHAREHOLDERS” AND INDIVIDUALLY AS A “SELLING SHAREHOLDER”). THE OFFER INCLUDES A RESERVATION OF 100,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE “EMPLOYEE RESERVATION PORTION”) AT A DISCOUNT OF [•]%(EQUIVALENT TO ₹ [•]) ON THE OFFER PRICE (“EMPLOYEE DISCOUNT”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS THE “NET OFFER” AND SUCH NET OFFER AGGREGATES UP TO 20,121,730 EQUITY SHARES. THE OFFER AND THE NET OFFER SHALL CONSTITUTE 15.00% AND 14.93%, RESPECTIVELY, OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

* Employee Discount of ₹ 48 to the Offer Price shall be offered to the Eligible Employees bidding in the Employee Reservation Portion.

OUR PROMOTER: TARANG JAIN

Price Band: ₹965 to ₹967 per Equity Share of face value of ₹1 each.

The Floor Price is 965 times the face value and the Cap Price is 967 times the Face Value of the Equity Shares.

Bids can be made for a minimum of 15 Equity Shares and in multiples of 15 Equity Shares thereafter.

Risks to Investors

- The four Merchant Bankers associated with the Offer have handled 40 issues in the past three financial years, out of which 13 issues closed below the issue price on listing date.
- The Price/Earnings ratio based on diluted EPS on a restated consolidated basis for FY18 for the Issuer at the upper end of the Price band is 28.95. Average industry peer group PE ratio is 42.60.
- Average cost of acquisition of Equity Shares for the Selling Shareholders is in the range of ₹0.00 to ₹162.43 per Equity Share and the Offer Price at upper end of the Price Band is ₹967 per Equity Share.

BASIS FOR THE OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the GCBRLMs and BRLM on the basis of assessment of market demand for the Equity Shares offered 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 ₹1 each and the Offer Price is 965 times the face value at the lower end of the Price Band and 967 times the face value at the higher end of the Price Band.

Investors should see “Our Business”, “Risk Factors” and “Financial Information” beginning on pages 182, 19 and 261, of the RHP respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the qualitative factors which forms the basis for the Offer Price is as follows: • Strong competitive position in attractive growing markets • Strong, long-standing customer relationships • Comprehensive product portfolio • Low cost, strategically located manufacturing and design footprint • Robust in-house technology, innovation and R&D capabilities • Consistent track record of growth and operational and financial efficiency. For further details, see “Our Business - Our Strengths” on page 185 of the Red Herring Prospectus.

Quantitative Factors : Certain information presented below relating to our Company is based on the Restated Consolidated Financial Information and Restated Standalone Financial Information, prepared in accordance with Ind AS as the base for Fiscals 2018, 2017 and 2016, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, see “Financial Statements” beginning on page 261 of the RHP.

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

1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for changes in capital:

As per Restated Consolidated Financial Information:

| Fiscal | Basic EPS (In ₹) | Diluted EPS (In ₹) | Weight |
|-------------------------|------------------|--------------------|--------|
| 2016 | 38.42 | 21.77 | 1 |
| 2017 | 27.74 | 27.21 | 2 |
| 2018 | 33.40 | 33.40 | 3 |
| Weighted Average | 32.35 | 29.40 | |

Notes:

i) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Information as appearing in Annexure V beginning on page 261. The figures disclosed above are based on the Financial Information of our Company.

ii) The face value of each Equity Share is ₹ 1. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) ‘Earnings per Share’, notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.

a. Basic EPS (in ₹) = Net profit as restated, attributable to equity shareholders/Weighted average number of equity shares outstanding during the year

b. Diluted EPS (in ₹) = Net profit as restated, attributable to equity shareholders/Weighted average number of dilutive equity shares outstanding during the year

iii) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
iv) During the year ended March 31, 2018, face value per Equity Share and Preference Share has been sub divided from ₹ 10 to ₹ 1. Further authorised share capital of the Company was reclassified from ₹ 500 Million consisting of ₹ 165 Million (165,000,000 Equity Shares of ₹1/- each) and ₹ 335 Million (335,000,000 Preference Shares of ₹1/- each) to ₹ 250 Million (250,000,000 Equity Shares of ₹1/- each) and ₹ 250 Million (Consisting of 250,000,000 Preference Shares of ₹1/- each). Accordingly Basic and Diluted earnings per share presented above have been updated in accordance with Ind AS 33 - ‘Earnings per share’.

2. Price/Earnings (“P/E”) ratio in relation to Price Band of ₹ 965 to ₹ 967 per Equity Share:

| Particulars | P/E at the lower end of the Price Band (no. of times) | P/E at the higher end of the Price Band (no. of times) |
|--|---|--|
| Based on basic and diluted EPS for the year ended March 31, 2018 on consolidated basis | 28.89 | 28.95 |
| Based on basic and diluted EPS for the year ended March 31, 2018 on standalone basis | 194.56 | 194.96 |

| Industry P/E Ratio | |
|--------------------|-------|
| Particulars | P/E |
| Highest | 45.43 |
| Lowest | 40.42 |
| Industry Composite | 42.60 |

4. Return on Net Worth (“RoNW”)

As per Restated Consolidated Financial Information of our Company:

| Particulars | RoNW % | Weight |
|---------------------------|---------------|--------|
| Year ended March 31, 2016 | 21.15% | 1 |
| Year ended March 31, 2017 | 13.88% | 2 |
| Year ended March 31, 2018 | 15.93% | 3 |
| Weighted Average | 16.12% | |

As per Restated Standalone Financial Information of our Company:

| Particulars | RoNW % | Weight |
|---------------------------|--------------|--------|
| Year ended March 31, 2016 | 20.88% | 1 |
| Year ended March 31, 2017 | 4.48% | 2 |
| Year ended March 31, 2018 | 6.91% | 3 |
| Weighted Average | 8.43% | |

* Note - The highest and lowest Industry P/E shown above is based on the peer set provided below under ‘Comparison with listed industry peers’. The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see ‘Comparison with listed industry peers’ hereunder.

FOR FURTHER DETAILS, SEE “BASIS FOR OFFER PRICE” BEGINNING ON PAGE 122 OF THE RHP.

BID/ OFFER PROGRAMME

OPENS ON TUESDAY, JUNE 26, 2018*

CLOSES ON THURSDAY, JUNE 28, 2018**

* Our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLM, may 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.

** Our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLM, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with SEBI (ICDR) Regulations.

ASBA[#]

Simple, Safe, Smart way of Application!!!

*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.

Mandatory in public issues from January 1, 2016. No cheque will be accepted.

In case of a revision to the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after the revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 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 websites of the GCBRLMs and the BRLM, and at the terminals of the members of the Syndicate.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”) and in compliance with Regulation 26(1) of the SEBI ICDR Regulations, this Offer is being made through the Book Building Process, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), provided that our Company and the Selling Shareholders, in consultation with the GCBLRLMs and the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the “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 price at which allocation is made to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount (“ASBA”) process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see “Offer Procedure” on page 593 of the RHP.

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

Contents of the Memorandum of Association of the Company as regards its objects: For information on the main objects of the Company, please see the section entitled “History and Certain Corporate Matters” on page 222 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, please see the section entitled “Material Contracts and Documents for Inspection” on page 715 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 ₹ 500,000,000 divided into 250,000,000 Equity Shares of ₹ 1 each and 250,000,000 Preference Shares of ₹ 1 each. The issued, subscribed and paid-up share capital of the Company is ₹ 134,811,530 divided into 134,811,530 Equity Shares of ₹ 1 each. For details, please see the section entitled “Capital Structure” beginning on page 109 of the RHP.

Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them: Given below are the names of the signatories of the Memorandum of Association of our Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company – Naresh Chandra - 500 equity shares, Tarang Jain - 500 equity shares and Anurang Jain - 500 equity shares.


Listing: The Equity Shares proposed to be issued through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated April 18, 2018 and April 26, 2018, respectively. For the purposes of this Offer, NSE is the Designated Stock Exchange.

Disclaimer Clause of the SEBI: SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 570 of the RHP for the full text of the Disclaimer Clause of SEBI.

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 579 of the RHP for the full text of the Disclaimer Clause of BSE.

Disclaimer Clause of NSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 579 of the RHP for the full text of the Disclaimer Clause of NSE.

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 have not been recommended or approved by 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 “Risk Factors” on page 19 of the RHP.

| GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS | | | BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE OFFER | COMPANY SECRETARY AND COMPLIANCE OFFICER |
|--|--|---|--|--|--|
|  |  |  |  |  | Rakesh Darji L-4, MIDC Area, Waluj, Aurangabad 431136 Tel: +91 240 6653 662 Fax: +91 240 2564 540 E-mail: investors@varroc.com |
| Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel: +91 22 4336 0000 Fax: +91 22 6713 2447 E-mail: varroc ipo@kotak.com Investor grievance e-mail: kmccredressal@kotak.com Contact Person: Ganesh Rane Website: www.investmentbank.kotak.com SEBI Registration No.: INM000008704 | Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre, G-Block, C54&55, Bandra Kurla Complex, Bandra (East), Mumbai 400 098 Tel: +91 22 6175 9999; Fax: +91 22 6175 9898 Email: varroc_ipo@citi.com Investor Grievance E-mail: investors.cgmb@citi.com Contact Person: Ashish Guneta Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen SEBI Registration No.: INM000010718 | Credit Suisse Securities (India) Private Limited Ceejay House, 9th Floor, Plot F Shrivastagar Estate, Dr. Annie Besant Road, Worli Mumbai 400 018 Tel: +91 22 6777 3914; Fax: +91 22 6777 3820 E-mail: list.varrocipo@credit-suisse.com Investor grievance e-mail: list.igcellmerbnkg@Credit-suisse.com Contact Person: Akshay Saxena Website: www.credit-suisse.com/in/en/investmentbanking/regional-presence/asiapacific/india/ipo.html SEBI Registration No.: INM000011161 | IIFL Holdings Limited 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Tel: +91 22 4646 4600; Fax: +91 22 2493 1073 E-mail: varroc_ipo@iiflcap.com Investor grievance e-mail:igb@iiflcap.com Contact Person: Pranay Doshi Website: www.iiflcap.com SEBI Registration No.: INM000010940 | Link Intime India Private Limited C-101, 1st floor, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 E-mail: varroc_ipo@linkintime.co.in Investor grievance e-mail: varroc_ipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan Website: www.linkintime.co.in SEBI Registration No.: INR000004058 | Investors can contact the Company Secretary and Compliance Officer, the GCBRLMs, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Offered Shares in the respective beneficiary account, refund orders, unblocking of funds and nonreceipt of funds by electronic mode. |

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the Risk Factors, contained therein before applying in the Offer. Full copy of the RHP is available on website of SEBI at www.sebi.gov.in, websites of the **GCBRLMs**, i.e. at www.investmentbank.kotak.com, www.online.citibank.co.in/rhtm/citigroupglobalscreen and www.creditsuisse.com/in/en/investmentbanking/regional-presence/asiapacific/india/ipo.html and **BRLM**, i.e. at www.iiflcap.com respectively and on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid cum Application Forms can be obtained from the Registered Office of **Varroc Engineering Limited**. Tel: +91 240 2564 540; GCBRLMs: Kotak Mahindra Capital Company Limited; Tel: +91 22 4336 0000. Fax: +91 22 6713 2447; Citigroup Global Markets India Private Limited; Tel: +91 22 6175 9999. Fax: +91 22 6175 9898; Credit Suisse Securities (India) Private Limited; Tel: +91 22 6777 3914, Fax: +91 22 6777 3820; BRLM: IIFL Holdings Limited; Tel: +91 22 4646 4600, Fax: +91 22 2493 1073. **Syndicate Members:** Kotak Securities Limited; Tel: +91 22 8218 5470, Fax: +91 22 6661 7041 and IIFL Securities Limited; Tel: +91 22 3929 4000/ 4103 5000, Fax: +91 22 2580 6654 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-Syndicate Members: Anand Rathi Share & Stock Brokers Ltd, Achievers Equities Limited, Almond Global Securities Ltd, Amit Jasani Financial Services Private Limited, Amrapali Capital & Finance Services Ltd., Axis Capital Limited, Centrum Broking Limited, Dalal & Broacha Stock Broking Private Limited, Eureka Stock & Share Broking Services Ltd, Edelweiss Broking Limited, HDFC Securities Limited, ICICI Securities Limited, Indiabulls Ventures Limited, JRM Financial Services Limited, Jobanputra Fiscal Services Private Limited, Karvy Stock Broking Limited, KJM Capital Market Services Limited, LKP Securities Limited, Motilal Oswal Securities Limited, Nirmal Bang Securities Pvt. Ltd., Prabhudas Lilladher Pvt Ltd, Pravin Rattilal Share & Stock Brokers Limited, PRL Stock & Share Brokers Pvt.Ltd-Pukhraj Lunkar, Reliance Securities Ltd., RR Equity Broker s Pvt Ltd., SAFAL Capital (INDIA) Limited, Sharekhan Ltd, SMC Global Securities Ltd, SPA Securities Limited, Systematix Shares & Stocks (I) Ltd, Tradebulls Sec Pvt Ltd, Way2Wealth Brokers Private Limited

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to apply through the ASBA process. ASBA Forms can be availed by all the Investors except Anchor Investors. For details on the ASBA process, please refer to the details given in ASBA Form and Abridged Prospectus and also please refer to the section entitled “Offer Procedure” on page 593 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Forms can be obtained from the SCSBs (the list of which is available on the website of SEBI) at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. Members of the Syndicate , Registered Brokers, RTAs and CDPs.

Escrow Collection Bank, Refund Bank and Public Offer Account Bank: Axis Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Aurangabad
Date: June 18, 2018

VARROC ENGINEERING LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the RHP with RoC. The RHP will be available on the website of SEBI at www.sebi.gov.in, NSE at www.nseindia.com, BSE at www.bseindia.com and the website of the GCBRLMs, i.e. at www.investmentbank.kotak.com, www.online.citibank.co.in/rhtm/citigroupglobalscreen and www.creditsuisse.com/in/en/investmentbanking/regional-presence/asiapacific/india/ipo.html and BRLM, i.e. at www.iiflcap.com respectively. Any potential investors should note that investment in equity shares involves a degree of risk and for details relating to the same, please refer to the RHP, including the section “Risk Factors” on page 19 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

The Equity Shares offered in the Offer have been and will not be registered under the U.S. Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside the United States, in offshore transactions in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) in the United States, to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“Rule 144A”)), in reliance on Rule 144A or other available exemptions under the U.S. Securities Act. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.