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## DRAFT RED HERRING PROSPECTUS

Dated: September 22, 2025

(The Draft Red Herring Prospectus will be updated upon filing with the RoC)

Please Read Section 26 and 32 of Companies Act, 2013

Book Built Issue



### MATANGI RUBBER LIMITED CORPORATE IDENTITY NUMBER: U74999DL2004PLC127108

| REGISTERED OFFICE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                        | CONTACT PERSON                                               |                  | TELEPHONE AND EMAIL                                                                                                                                                                                                                                                 | WEBSITE               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi - 110017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                        | Vijay Kumar Sharma<br>Company Secretary & Compliance Officer |                  | <b>Email:</b> cs@matangirubber.com<br><b>Tel. No.:</b> 011 42709020                                                                                                                                                                                                 | www.matangirubber.com |
| OUR PROMOTER: MOHIT GUPTA, MANJU GUPTA, RADHIKA GUPTA AND VANDANA RUBBER AND CHEMICALS PRIVATE LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| DETAILS OF THE ISSUE TO THE PUBLIC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| TYPE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | FRESH ISSUE                                                            | OFS Size                                                     | TOTAL ISSUE SIZE | ELIGIBILITY                                                                                                                                                                                                                                                         |                       |
| Fresh Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Upto 37,09,600 Equity Shares of ₹10 each aggregating up to ₹ [●] lakhs | Nil                                                          | ₹[●] lakhs       | The Issue is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors see “Issue Structure” on page 345. |                       |
| RISKS IN RELATION TO THE FIRST ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Face value of the Equity Shares is Rs. 10/-. The Floor Price, Cap Price and Issue Price determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 116 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.                          |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| GENERAL RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 31 of this Draft Red Herring Prospectus. |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| COMPANY’S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.                                                                   |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| LISTING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| The Equity Shares offered through Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| BOOK RUNNING LEAD MANAGER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| Book Running Lead Manager to the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                        | Contact Person                                               |                  | Email and Telephone                                                                                                                                                                                                                                                 |                       |
| <br>SARTHI<br>Sarathi Capital Advisors Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                        | Pankaj Chaurasia                                             |                  | Email Id: ipo@sarthiwm.in<br>Tel No.: +91 22 2652 8671/ 72                                                                                                                                                                                                          |                       |
| REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| Registrar to the Issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                        | Contact Person                                               |                  | Email and Telephone                                                                                                                                                                                                                                                 |                       |
| <br>Bigshare Services Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                        | Babu Rapheal                                                 |                  | Email: ipo@bigshareonline.com<br>Tel No.: 022 - 6263 8200                                                                                                                                                                                                           |                       |
| OFFER PERIOD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                        |                                                              |                  |                                                                                                                                                                                                                                                                     |                       |
| ANCHOR PORTION OFFER OPENS/CLOSES ON*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                        |                                                              |                  | [●]                                                                                                                                                                                                                                                                 |                       |
| BID/OFFER OPENS ON                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                        |                                                              |                  | [●]                                                                                                                                                                                                                                                                 |                       |
| BID/OFFER CLOSES ON**                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                        |                                                              |                  | [●]                                                                                                                                                                                                                                                                 |                       |

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

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

^UPI mandate end time and date shall be 5:00 pm on the Bid/ Offer Closing Date.

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## MATANGI RUBBER LIMITED

Our Company was originally formed as a Private Limited Company in the name and style of “Matangi Rubber Private Limited” under the provisions of the Companies Act, 1956 on June 23, 2004 vide Certificate of Incorporation issued by Registrar of Companies, Delhi & Haryana, bearing CIN: U74999DL2004PTC127108. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on November 04, 2024 and the name was changed to “Matangi Rubber Limited” pursuant to a fresh Certificate of Incorporation dated November 26, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U74999DL2004PLC127108. For further information, please refer chapter “Our History and Certain Other Corporate Matters” on page 206.

**Registered Office:** Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi -110017; **Tel. No:** 011 42709020;

**E-mail:** cs@matangirubber.com; **Website:** www.matangirubber.com; **Contact Person:** Vijay Kumar Sharma, Company Secretary and Compliance Officer

## OUR PROMOTER: MOHIT GUPTA, MANJU GUPTA, RADHIKA GUPTA AND VANDANA RUBBER AND CHEMICALS PRIVATE LIMITED

**INITIAL PUBLIC ISSUE OF UPTO 37,09,600 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF MATANGI RUBBER LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE), AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”). THIS ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AGGREGATING TO ₹ [●] LAKHS (CONSTITUTING UP TO [●] % OF THE ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY THE MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50 % AND [●] % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 336 OF THE DRAFT PROSPECTUS.**

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], THE ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], THE HINDI NATIONAL DAILY NEWSPAPER (HINDI BEING THE LOCAL LANGUAGE WHERE OUR REGISTERED OFFICE IS SITUATED), EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE” REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID / ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY IN CONSULTATION WITH THE BRLM, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID / ISSUE PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE BSE LIMITED, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BRLM AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO THE DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue has been made for at least 25% of the post-issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All bidders shall only participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPI ID for IIs using UPI Mechanism) (UPI ID, IIs and UPI Mechanism are defined hereinafter) wherein the Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see “Issue Procedure” on page 348.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE OF ₹ [●] IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**

## RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process), as stated under the section entitled “Basis for Issue Price” on page 116 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing

## GENERAL RISKS

Investments in Equity and Equity – related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 31

## COMPANY’S ABSOLUTE RESPONSIBILITY

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

## LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from BSE Limited (“BSE”) for using its name in the Issue document for listing of our shares on the SME Platform of BSE Limited (“BSE SME”). For the purpose of the Issue, the Designated Stock Exchange will be BSE Limited (“BSE”). A copy of Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of Companies Act, 2013.

## BOOK RUNNING LEAD MANAGER TO THE ISSUE



**Sarathi Capital Advisors Private Limited**  
CIN: U65190DL2012PTC238100  
401, 4<sup>th</sup> Floor, Manek Plaza, 167, Vidyanagari Marg,  
Kalina, Santacruz (E), Mumbai – 400 098  
**Tel No.:** +91 22 2652 8671/ 72  
**Email Id:** ipo@sarthiwm.in  
**Website:** www.sarthi.in  
**Contact Person:** Pankaj Chaurasia  
**SEBI Registration No.:** INM000012011



## REGISTRAR TO THE ISSUE

**Bigshare Services Private Limited**  
CIN: U99999MH1994PTC076534  
Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East), Mumbai – 400093  
**Tel. No.:** +91 22 6263 8200; **Email:** ipo@bigshareonline.com  
**Investor Grievance E-Mail:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Mr. Babu Raphael.  
**SEBI Registration No.:** INR000001385

## ISSUE PROGRAMME

|                                              |     |
|----------------------------------------------|-----|
| <b>ANCHOR PORTION ISSUE OPENS/CLOSES ON*</b> | [●] |
| <b>BID/ISSUE OPENS ON</b>                    | [●] |
| <b>BID/ISSUE CLOSES ON**</b>                 | [●] |

\*Our Company may in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

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

^UPI mandate end time and date shall be 5:00 pm on the Bid/ Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, clarification, direction or policies shall be to such legislation, act, regulations, rule, guidelines, policies, circulars, notifications or clarifications, modifications, replacements or re-enactments thereto, as amended, from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

Notwithstanding the foregoing, the terms used in “Objects of the Issue”, “Basis for Issue Price”, “Statement of Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “History and Certain Corporate Matters”, “Restated Financial Statements”, “Financial Indebtedness”, “Outstanding Litigation and Material Developments”, “Other Regulatory and Statutory Disclosures” and “Main provisions of the Articles of Association” on pages 101, 116, 122, 125, 197, 206, 238, 289, 292, 326 and 386, respectively, shall have the meanings ascribed to them in the relevant section.

#### General Terms

| Term                                     | Description                                                                                                                                                                                                                                                       |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Our Company” or “the Company” or Issuer | Matangi Rubber Limited a Public Limited Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi - 110017. |
| “we” or “us”, or “our”                   | Unless the context otherwise indicates or implies, refers to our Company.                                                                                                                                                                                         |

#### Company Related Terms

| Term                                            | Description                                                                                                                                                                                                                                          |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Articles or Articles of Association or AOA      | The Articles of Association of our Company, as amended from time to time.                                                                                                                                                                            |
| Auditor/Statutory Auditor/Peer Reviewed Auditor | The Auditor of the Company being Ashwani & Associates, Chartered Accountants, having their Office at 103, Pratap Bhawan, Bahadur Shah Zafar Marg, ITO, New Delhi - 110002.                                                                           |
| Audit Committee                                 | The Audit Committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 213 in this Draft Herring Prospectus. |
| Approvals                                       | Various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations as stated in “Government and Statutory Approvals” on page 303                                     |
| Banker to our Company                           | State Bank of India.                                                                                                                                                                                                                                 |
| “Board” or “Board of Directors” or “our Board”  | The Board of Directors of the Company as described in “Our Management” beginning on page 213                                                                                                                                                         |
| Committee(s)                                    | Duly constituted committee(s) of our Board                                                                                                                                                                                                           |
| Central Registration Centre (CRC)               | It’s an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with the best global practices.                      |

| <b>Term</b>                                                       | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company Secretary and Compliance Officer                          | The Company Secretary and Compliance Officer of our Company, being Vijay Kumar Sharma as stated in “Our Management” on page 213                                                                                                                                                                                                                                                                            |
| Chief Financial Officer                                           | The Chief Financial Officer of our Company, being Sunil Kumar Gupta as stated in “Our Management” on page 213                                                                                                                                                                                                                                                                                              |
| CIN                                                               | U74999DL2004PLC127108                                                                                                                                                                                                                                                                                                                                                                                      |
| Corporate Promoter                                                | Vandana Rubber and Chemicals Private Limited.                                                                                                                                                                                                                                                                                                                                                              |
| CSR Committee/<br>Corporate Social<br>Responsibility<br>Committee | The corporate social responsibility committee of our Board, as disclosed in “Our Management” on page 213                                                                                                                                                                                                                                                                                                   |
| Director(s)                                                       | The directors on our Board, as appointed from time to time. For details, see “Our Management” on page 213                                                                                                                                                                                                                                                                                                  |
| Equity Shares                                                     | Equity Shares of our Company of Face Value of ₹10 each                                                                                                                                                                                                                                                                                                                                                     |
| Equity Shareholders                                               | Persons/Entities holding equity shares of our Company                                                                                                                                                                                                                                                                                                                                                      |
| Executive Director(s)/<br>ED                                      | Executive Director(s) on our Board, as described in “Our Management” on page 213.                                                                                                                                                                                                                                                                                                                          |
| Group Companies                                                   | The companies identified as ‘group companies’ in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations including the Materiality Policy. For details, see “Our Group Companies” beginning on page 234.                                                                                                                                                                                           |
| Independent Director(s)                                           | Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled “Our Management” beginning on page 213.                                                                                                                       |
| ISIN                                                              | International Securities Identification Number of our Company i.e. INE1DHT01017.                                                                                                                                                                                                                                                                                                                           |
| Industry Data Provider                                            | The industry data provider being, Infomerics Analytics And Research Private Limited.                                                                                                                                                                                                                                                                                                                       |
| Joint Managing Director                                           | The joint managing director of our Company being, Radhika Gupta. For further details, see “Our Management” on page 213.                                                                                                                                                                                                                                                                                    |
| Key Management<br>Personnel                                       | Key management personnel of our Company in terms of regulation 2(1)(bb) of the SEBI ICDR Regulations, 2018 and section 2(51) of the Companies Act, 2013 and as disclosed in the section titled “Our Management” on page 213.                                                                                                                                                                               |
| Managing Director                                                 | Managing Director of our Company, Mohit Gupta, For details, please refer to the chapter titled “Our Management” beginning on page 213.                                                                                                                                                                                                                                                                     |
| Materiality Policy                                                | Policy for the identification of (i) companies to be disclosed as group companies; (ii) material outstanding civil litigation proceeding involving our Company, our Subsidiary, our Promoters and our Directors; and (iii) material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board pursuant to its resolution dated June 16, 2025. |
| Memorandum of<br>Association or<br>Memorandum or MOA              | The Memorandum of Association of our Company, as amended from time to time.                                                                                                                                                                                                                                                                                                                                |
| Material Subsidiary                                               | Material Subsidiary of our Company being MG Industries Limited.                                                                                                                                                                                                                                                                                                                                            |
| Monitoring Agency                                                 | [•].                                                                                                                                                                                                                                                                                                                                                                                                       |
| Monitoring Agency<br>Agreement                                    | The agreement to be entered into between our Company and the Monitoring Agency dated [•].                                                                                                                                                                                                                                                                                                                  |
| Nomination and<br>Remuneration<br>Committee                       | The Nomination and Remuneration Committee of our Board, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013 described in the chapter titled “Our Management” beginning on page 213.                                                                                                                                                    |
| “Promoter” or “our<br>Promoters”                                  | Promoters of our company being Mohit Gupta, Radhika Gupta, Manju Gupta and Vandana Rubber and Chemicals Private Limited.                                                                                                                                                                                                                                                                                   |
| Promoter Group                                                    | The individuals and entities constituting our Promoter group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 and a list of which is provided in the chapter titled “Our Promoters and Promoter Group” beginning on page 228.                                                                                                                                                          |



| Term                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registered Office                   | The Registered Office of our Company located at Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi - 110017.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Registrar of Companies/ROC          | Registrar of Companies, Delhi.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Restated Financial Statements       | The Restated Indian GAAP Financial Information of our Company comprises of Restated Consolidated Indian GAAP Statement of Assets and Liabilities for the financial year ended March 31, 2025, Restated Standalone Indian GAAP Statement of Assets and Liabilities for the period ended March 31, 2024 and March 31, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income) for the financial year ended March 31, 2025, Restated Standalone Statement of Profit and Loss (including other comprehensive income) for the period ended March 31, 2024 and March 31, 2023, the Restated Summary Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the financial year ended March 31, 2025, Restated Standalone Cash Flow Statement for the financial year ended March 31, 2024 and March 31, 2023 of our Company and Subsidiaries, the summary statement of material accounting policy information, and other explanatory information thereon, has been derived from the Audited Special Purpose Indian GAAP Summary Financial Statements of the Group for the financial year ended March 31, 2025, prepared in accordance with Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on July 28, 2025. |
| Shareholder(s)                      | The holders of the Equity Shares from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Stakeholders Relationship Committee | Stakeholders' Relationship Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations as described in the chapter titled "Our Management" beginning on page 213 of this Draft Red Herring Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Senior Management Personnel or SMP  | Senior management personnel of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "Our Management" on page 213.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Unit 1 (Selaqui)                    | Our manufacturing facility located at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun - 248197, Uttarakhand.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Unit 2 (Gummidipoondi)              | Manufacturing facility located at Plot No. 31 and 32, Sidco Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur - 601201, Tamil Nadu.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Unit 3 (Bhind)                      | Manufacturing facility (Material Subsidiary viz. M G Industries Limited) Plot No.08, Industrial Area, Malanpur, Bhind - 477117, Madhya Pradesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Unit 4 (Selaqui)                    | Manufacturing facility (Material Subsidiary viz. M G Industries Limited) Khasra No. 1029 & 1040 Camp Road, Selaqui Industrial Area, Dehradun -248197, Uttarakhand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Unit 5 (Bhind)                      | Manufacturing facility Plot no. 78, Malanpur, Bhind- 477117, Madhya Pradesh.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

#### Issue Related Terms

| Term                                     | Description                                                                                                                                                                                                     |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abridged Prospectus                      | Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.                                                                         |
| Acknowledgement Slip                     | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.                                                                                  |
| Allocation / Allocation of Equity Shares | Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.                                                                                               |
| Allotment/ Allot/ Allotted               | Issue and allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.                                                                                  |
| Allotment Advice                         | Note or Advice or Intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |



| <b>Term</b>                                                      | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allottee(s)                                                      | Successful Applicants to whom Equity Shares of our Company are allotted.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Allotment Date                                                   | Date on which Allotment is made.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Anchor Investor                                                  | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹200.00 lakhs.                                                                                                                                                                                                                                              |
| Anchor Investor Allocation Price                                 | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager.                                                                                                                                                                                                                                                              |
| Anchor Investor Application Form                                 | The application form used by an anchor investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus.                                                                                                                                                                                                                                                                                  |
| Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date | The date, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed                                                                                                                                                                                                 |
| Anchor Investor Issue Price                                      | <p>The final price at which the Equity Shares will be issued and allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.</p> <p>The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.</p>                                                                                                   |
| Anchor Investor Pay- in Date                                     | With respect to Anchor Investor(s), the Anchor Investor Bid/ Issue Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.                                                                                                                                                                                                                                          |
| Anchor Investor Portion                                          | <p>Up to 60.00% of the QIB Portion which may be allocated by our Company in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.</p> <p>One-third of the Anchor Investor Portion 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 accordance with the SEBI ICDR Regulations</p> |
| Applicant                                                        | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                           |
| Application Amount                                               | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                      |
| Application Form                                                 | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.                                                                                                                                                                                                                                                                                                                                                                                        |
| ASBA/Application Supported by Blocked Amount.                    | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.                                                                                                                                    |
| ASBA Account                                                     | A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidders which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism.                                                                                                                                                       |
| ASBA Bid                                                         | A Bid made by an ASBA Bidder.                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| ASBA Application location(s)/ Specified Cities                   | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.                                                                                                                                                                                                                                                                                                             |
| ASBA Investor/ASBA applicant(s)                                  | Any prospective investor who makes an Application pursuant to the terms of this Prospectus and the Application Form including through UPI mode (as applicable).                                                                                                                                                                                                                                                                                                                             |

| <b>Term</b>                                      | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Banker(s) to the Issue/<br>Public Issue Bank(s). | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and, in this case, being [●].                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Basis of Allotment                               | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 348.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Bid                                              | An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Bid Amount                                       | The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Bid Lot                                          | [●] Equity Shares and in multiples of [●] Equity Shares thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Bid/Issue Closing Date                           | <p>Except in relation to Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Delhi, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p> |
| Bid/Issue Opening Date                           | Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Delhi, where our Registered Office is located).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Bid/ Issue Period                                | Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Bidder/Applicant                                 | Any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Bidding                                          | The process of Making a bid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Bidding Centres                                  | Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Book Building Process                            | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| BRLM / Book Running Lead Manager                 | Book Running Lead Manager to the Issue, in this case being Sarthi Capital Advisors Private Limited.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Term                                                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BSE SME                                                   | SME Platform of BSE for listing of Equity Shares offered under Chapter IX of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| “Confirmation of Allocation Note” or “CAN”                | A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Issue Period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Cap Price                                                 | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Client ID                                                 | Client identification number maintained with one of the Depositories in relation to demat account                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Collecting Depository Participant or CDP                  | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure application at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Circular on Streamlining of Public Issues”/ “UPI Circular | Circular CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard. |
| Controlling Branch                                        | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Cut-off Price                                             | The Issue Price, as finalized by our Company in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Application at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Application at the Cut-off Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Demographic Details                                       | The demographic details of the Applicants such as their address, PAN, name of the applicant father/husband, occupation and bank account details.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Depositories                                              | National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Depository Participant                                    | A Depository Participant as defined under the Depositories Act, 1996.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Designated Branches                                       | Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=35</a> or at such other website as may be prescribed by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Term                                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Designated Date                                | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.                          |
| Designated Intermediaries                      | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Bidder, in relation to the Issue.                                                                                                                                                                                                                                       |
| Designated Stock Exchange                      | BSE Limited (SME Platform of BSE Limited)                                                                                                                                                                                                                                                                                                                                                                                       |
| Draft Red Herring Prospectus//DRHP             | The Draft Red Herring Prospectus issued in accordance with section 26 and 32 of the Companies Act, 2013 and filed with the BSE Limited (SME Platform of BSE) under SEBI (ICDR) Regulations 2018.                                                                                                                                                                                                                                |
| Eligible NRI(s)                                | NRIs from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares issued herein.                                                                                                                                                                              |
| Eligible FPI(s)                                | FPIs that are eligible to participate in this Issue in terms of applicable laws.                                                                                                                                                                                                                                                                                                                                                |
| Escrow Account                                 | Accounts to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.                                                                                                                                                                                                                  |
| Escrow Collection Bank(s)                      | Bank(s) which are clearing members and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account will be opened, in this case being [●].                                                                                                                                                                          |
| First/ Sole Applicant                          | The Applicant whose name appears first in the Application Form or Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account or UPI linked account number held in joint names.                                                                                                                                                                                        |
| Floor Price                                    | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.                                                                                                                                                                     |
| Fugitive Economic Offender                     | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended.                                                                                                                                                                                                                                                                                            |
| Fraudulent Borrower                            | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.                                                                                                                                                                                                                                                                                                                                        |
| General Information Document or GID            | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.                                                                                   |
| Individual Investors /(II)/ Individual Bidders | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000.                                                                                                                                                                                                                          |
| Individual Investor Portion                    | Portion of the Offer being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Individual applicant (subject to valid application being received at or above the Issue Price), which shall not be less than the minimum Lot size subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis. |
| Issue                                          | The Initial public Issue of up to 37,09,600 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs.                                                                                                                                                                                                                        |
| Issue Proceeds                                 | Proceeds from the Issue that will be available to our Company, being ₹[●] Lakhs.                                                                                                                                                                                                                                                                                                                                                |
| Issue Agreement                                | The Issue agreement dated July 30, 2025 entered into amongst our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.                                                                                                                                                                                                                                                     |

| Term                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue Price                      | The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price and discount (if any) will be decided by our Company in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.                                                                                                                                                                                                                                                                                    |
| Key Performance Indicators/ KPIs | Key Financial and operational performance indicators of our Company, as included in “Basis for the Issue Price” on page 116                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Listing Agreement                | The Equity Listing Agreement to be signed between our Company and the BSE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Market Making Agreement          | Market Making Agreement dated [●], between our Company, BRLM and Market Maker.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Market Maker                     | Market Maker appointed by our Company from time to time, in this case being [●], who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Market Maker Reservation Portion | The Reserved Portion of [●] Equity Shares of Face Value of ₹10 each fully paid for cash at a price of ₹[●] per Equity Share aggregating ₹[●] for the Market Maker in this Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Mutual Fund(s)                   | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| NIF                              | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Net Issue                        | The Issue, excluding the Market Maker Reservation Portion, of [●] Equity Shares of Face Value of ₹10 each fully paid for cash at a price of ₹[●] Equity Share aggregating ₹[●] Lakhs by our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Net Proceeds                     | The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 101 of this Draft Red Herring Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Non-Institutional Investors      | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Non-Institutional Portion        | <p>The portion of the Issue, being not less than 15% of the Issue or [●] Equity Shares of face value of ₹10 each, which shall be available for allocation to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, out of which:</p> <ol style="list-style-type: none"> <li>1. One third shall be reserved for Bidders with Bids exceeding ₹2.00 lakhs up to ₹10.00 lakhs; and</li> <li>2. Two-thirds shall be reserved for Bidders with Bids exceeding ₹10.00 lakhs.</li> </ol> <p>Provided that the unsubscribed portion in either of the sub-categories specified in (i) or (ii) above, may be allocated to applicants in the other sub-category of Non-Institutional Investors.</p> |
| OCB/Overseas Corporate Body      | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs, including overseas trusts in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.                                                                                                                                                                                                                                                                                                                                                    |

| Term                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Person/Persons                               | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Price Band                                   | <p>Price Band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹ [●].</p> <p>The Price Band will be decided by our Company in consultation with the BRLM and advertised in all editions of [●](a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Delhi, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Pricing Date                                 | The date on which our Company in consultation with the BRLM, will finalize the Issue Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Prospectus                                   | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigendum thereto.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Public Issue Account                         | Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Public Issue Account Agreement               | Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Qualified Institutional Buyers or QIBs       | QIBs, as defined in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund and alternative investment fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 lakhs, pension fund with minimum corpus of ₹2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies. |
| QIB Portion                                  | The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Issue, consisting of [●] Equity Shares which shall be Allotted to QIBs, including the Anchor Investors on a proportionate basis, including the Anchor Investor Portion (which allocation shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors), as applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Red Herring Prospectus                       | Red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



| Term                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registrar Agreement                         | The agreement dated July 30, 2025 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.                                                                                                                                                                                                                                                                                                                                                              |
| Registrar and Share Transfer Agents or RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.                                                                                                                                                                                                                                                                                                                                |
| Refund Account (s)                          | The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank Account(s), from which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.                                                                                                                                                                                                                                                                                                      |
| Refund Bank(s) / Refund Banker(s)           | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].                                                                                                                                                                                                                                                                                                                                  |
| Registrar /Registrar to the Issue           | Registrar to the Issue, in this case being Bigshare Services Private Limited having office at Pinnacle Business Park, Office no S6-2, 6th floor, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai - 400093.                                                                                                                                                                                                                                                                                                                               |
| Revision Form                               | The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).<br><br>Non- Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the application Amount) at any stage. Individual Investors can revise their application during the Issue Period and withdraw their applications until Issue Closing Date.                                                                       |
| SCORES                                      | SEBI Complaints Redress System                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| SCSB/ Self Certified Syndicate Banker.      | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or at such other website as may be prescribed by SEBI from time to time. |
| Specified Locations                         | The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ), and updated from time to time.                                                                                                                                                                                                                                                                                                       |
| Sponsor Bank                                | Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars                                                                                                                                                                               |
| Syndicate Agreement                         | Agreement to be entered into among our Company, the BRLM, and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate                                                                                                                                                                                                                                                                                                                                                                                                  |
| Syndicate / Members of the Syndicate        | Collectively, the Book Running Lead Manager and the Syndicate Members.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Underwriter                                 | [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Underwriting Agreement                      | The agreement dated [●], which will be entered into between the Underwriter and our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| UPI Mechanism                               | The bidding mechanism that may be used by a RII to make an application in the Issue in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.                                                                                                                                                                                                                                                                                                                                                                            |
| Unified Payments Interface                  | It is an instant payment system developed by National Payments Corporation of India which allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's Bank account.                                                                                                                                                                                                                                                                                                             |
| UPI Circulars                               | Collectively, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June                                                                                                                                                                                                                                                                                                                       |



| Term                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     | 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021 SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the RTA Master Circular and SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard. |
| UPI ID              | ID created on Unified Payment Interface.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| UPI Mandate Request | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| UPI PIN             | Password to authenticate transaction through UPI mechanism.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Wilful Defaulter    | As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Working Day         | <i>Unless the context otherwise requires:</i><br>Working Days shall be as defined under Regulation 2(1)(mmm) of SEBI (ICDR), 2018 and all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

#### Technical and Industry Terms

| Term | Description                                                 |
|------|-------------------------------------------------------------|
| BRR  | Butyl Reclaimed Rubber                                      |
| EPDM | Is a synthetic rubber i.e. Ethylene Propylene Diene Monomer |
| SBR  | Is a synthetic rubber i.e. Styrene-Butadiene Rubber         |
| WTR  | Whole Tyre Reclaimed Rubber                                 |

#### Conventional and General Terms/Abbreviations

| Term                              | Description                                                                                                                                                                                                                                                                     |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “₹” or “Rs.” Or “Rupees” or “INR” | Indian rupees                                                                                                                                                                                                                                                                   |
| AIFs                              | Alternative investments funds, as defined in, and registered under the SEBI AIF Regulations                                                                                                                                                                                     |
| A/C                               | Account                                                                                                                                                                                                                                                                         |
| Act                               | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification. |
| AGM                               | Annual General Meeting                                                                                                                                                                                                                                                          |
| API                               | Application programming interface                                                                                                                                                                                                                                               |

| Term             | Description                                                                                                                                                                                                                                                                     |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Articles         | Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act                                                                                                                          |
| AS               | Accounting Standards as issued by the Institute of Chartered Accountants of India.                                                                                                                                                                                              |
| A.Y.             | Assessment Year                                                                                                                                                                                                                                                                 |
| ASBA             | Applications Supported by Blocked Amount                                                                                                                                                                                                                                        |
| B. A             | Bachelor of Arts                                                                                                                                                                                                                                                                |
| B. Com           | Bachelor's Degree in Commerce                                                                                                                                                                                                                                                   |
| BSE              | BSE Limited                                                                                                                                                                                                                                                                     |
| CAGR             | Compounded Annual Growth Rate                                                                                                                                                                                                                                                   |
| CDSL             | Central Depository Services (India) Limited                                                                                                                                                                                                                                     |
| Category I AIF   | AIFs registered as "Category I alternative investment funds" under the SEBI AIF Regulations                                                                                                                                                                                     |
| Category I FPIs  | FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations                                                                                                                                                                                      |
| Category II AIF  | AIFs registered as "Category II alternative investment funds" under the SEBI AIF Regulations                                                                                                                                                                                    |
| Category II FPIs | FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations                                                                                                                                                                                     |
| Category III AIF | AIFs registered as "Category III alternative investment funds" under the SEBI AIF Regulations                                                                                                                                                                                   |
| CBDT             | Central Board of Direct Taxes                                                                                                                                                                                                                                                   |
| CDSL             | Central Depository Services (India) Limited                                                                                                                                                                                                                                     |
| CESTAT           | Customs, Excise and Service Tax Appellate Tribunal                                                                                                                                                                                                                              |
| CENVAT           | Central Value Added Tax                                                                                                                                                                                                                                                         |
| CFO              | Chief Financial Officer                                                                                                                                                                                                                                                         |
| CIN              | Corporate Identification Number                                                                                                                                                                                                                                                 |
| Companies Act    | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification. |
| CrPC             | Code of Criminal Procedure, 1973, as amended                                                                                                                                                                                                                                    |
| CS               | Company Secretary                                                                                                                                                                                                                                                               |
| Depositories     | NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.                                                                                          |
| Depositories Act | The Depositories Act, 1996, as amended from time to time.                                                                                                                                                                                                                       |
| DIN              | Director Identification Number                                                                                                                                                                                                                                                  |
| DP               | Depository Participant                                                                                                                                                                                                                                                          |
| DP ID            | Depository Participant's Identity                                                                                                                                                                                                                                               |
| DB               | Designated Branch                                                                                                                                                                                                                                                               |
| EBIDTA           | Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.                                                                                                                                                                                              |
| EBIT             | Earnings before Interest and Taxes                                                                                                                                                                                                                                              |
| EBT              | Earnings Before Tax                                                                                                                                                                                                                                                             |
| EBIDTA Margin    | EBITDA Margin is an indicator of the operational profitability and financial performance of our Company. This is calculated through EBITDA divided by revenue from operations for the year.                                                                                     |
| EBIT Margin      | EBIT Margin is calculated as EBIT as percent of total income.                                                                                                                                                                                                                   |
| EBT Margin       | EBT Margin is calculated as EBT as percent of total income.                                                                                                                                                                                                                     |
| ECS              | Electronic Clearing Services                                                                                                                                                                                                                                                    |
| EGM              | Extraordinary General Meeting                                                                                                                                                                                                                                                   |
| ESIC             | Employee State Insurance Corporation                                                                                                                                                                                                                                            |
| ESOP             | Employee Stock Option Plan                                                                                                                                                                                                                                                      |
| EPS              | Earnings per Share                                                                                                                                                                                                                                                              |

| Term                                                        | Description                                                                                                                                        |
|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| FDI                                                         | Foreign Direct Investment                                                                                                                          |
| FCNR Account                                                | Foreign Currency Non-Resident Account                                                                                                              |
| FEMA                                                        | Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed there under.                                         |
| FEMA Regulations                                            | FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.                                    |
| FII(s)                                                      | Foreign Institutional Investors                                                                                                                    |
| FIs                                                         | Financial Institutions                                                                                                                             |
| FIPB                                                        | The Foreign Investment Promotion Board, Ministry of Finance, Government of India.                                                                  |
| FV                                                          | Face Value                                                                                                                                         |
| FVCI                                                        | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000. |
| “Financial Year” or “Fiscal” or “Fiscal Year” or “FY”       | Unless stated otherwise, the period of 12 months ending March 31 of that particular year                                                           |
| GAAP                                                        | Generally Accepted Accounting Principles                                                                                                           |
| GDP                                                         | Gross Domestic Product                                                                                                                             |
| GOI                                                         | Government of India.                                                                                                                               |
| GST                                                         | Goods & Service Tax                                                                                                                                |
| HNI                                                         | High Net Worth Individual                                                                                                                          |
| HUF                                                         | Hindu Undivided Family                                                                                                                             |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.                                                |
| Indian GAAP                                                 | Generally accepted accounting principles in India.                                                                                                 |
| ICAI                                                        | Institute of Chartered Accountants of India                                                                                                        |
| ICSI                                                        | Institute of Company Secretaries of India                                                                                                          |
| IFRS                                                        | International financial reporting standards.                                                                                                       |
| Ind AS                                                      | Indian Accounting Standards                                                                                                                        |
| IPC                                                         | Indian Penal Code                                                                                                                                  |
| IPO                                                         | Initial Public Offering                                                                                                                            |
| IPR                                                         | Intellectual Property Right                                                                                                                        |
| IT                                                          | Information Technology                                                                                                                             |
| IT Act                                                      | The Income-tax Act, 1961 as amended from time to time except as stated otherwise.                                                                  |
| IT Rules                                                    | The Income-tax Rules, 1962, as amended from time to time                                                                                           |
| INR                                                         | Indian National Rupee                                                                                                                              |
| JV                                                          | Joint venture                                                                                                                                      |
| KMP                                                         | The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “Our Management” beginning on page 213.                 |
| Ltd.                                                        | Limited                                                                                                                                            |
| MBA                                                         | Master in Business Administration                                                                                                                  |
| MCA                                                         | Ministry of Corporate Affairs, Government of India                                                                                                 |
| M.Com                                                       | Master Degree in Commerce                                                                                                                          |
| MD                                                          | Managing Director                                                                                                                                  |
| MOU                                                         | Memorandum of Understanding                                                                                                                        |
| MNC                                                         | Multinational corporation                                                                                                                          |
| MSMEs                                                       | Micro, small and medium enterprises                                                                                                                |
| N/A or NA                                                   | Not Applicable                                                                                                                                     |
| NACH                                                        | National Automated Clearing House                                                                                                                  |
| NAV                                                         | Net Asset Value                                                                                                                                    |
| NECS                                                        | National Electronic Clearing Services                                                                                                              |
| NEFT                                                        | National Electronic Fund Transfer                                                                                                                  |

| Term                                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Net Worth                                                       | The aggregate of the paid-up share capital, and all reserves created out of the profit [securities premium account and debit or credit balance of profit and loss account], after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. |
| NOC                                                             | No Objection Certificate                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| NPV                                                             | Net Present Value                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| NR                                                              | Non-Resident                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| NRE Account                                                     | Non-Resident External Account                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| NRI                                                             | Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.                                                                                                                                                                                            |
| NRO Account                                                     | Non-Resident Ordinary Account                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| NSE                                                             | National Stock Exchange of India Limited                                                                                                                                                                                                                                                                                                                                                                                                                          |
| NSDL                                                            | National Securities Depository Limited.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| p.a.                                                            | Per Annum                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| PAN                                                             | Permanent Account Number                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| PAT                                                             | Profit After Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| PAT Margin                                                      | PAT margin is calculated as percent of total income.                                                                                                                                                                                                                                                                                                                                                                                                              |
| PMLA                                                            | Prevention of Money Laundering Act                                                                                                                                                                                                                                                                                                                                                                                                                                |
| PML Rules                                                       | Prevention of Money Laundering Rules                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Pvt.                                                            | Private                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| PBT                                                             | Profit Before Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| P/E Ratio                                                       | Price Earnings Ratio                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| POA                                                             | Power of Attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| PIO                                                             | Persons of Indian Origin                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| QIB                                                             | Qualified Institutional Buyer                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| RBI                                                             | Reserve Bank of India                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| RBI Act                                                         | The Reserve Bank of India Act, 1934, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                 |
| RON                                                             | Return on Net Worth.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ROCE                                                            | Return on Capital Employed                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| RoE                                                             | Return on Equity                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| ₹ / INR                                                         | Indian Rupees                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| RTGS                                                            | Real Time Gross Settlement                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| SCRA                                                            | Securities Contracts (Regulation) Act, 1956                                                                                                                                                                                                                                                                                                                                                                                                                       |
| SCRR                                                            | Securities Contracts (Regulation) Rules, 1957                                                                                                                                                                                                                                                                                                                                                                                                                     |
| SCSB                                                            | Self-Certified Syndicate Bank                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| SEBI                                                            | Securities and Exchange Board of India.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| SEBI Act                                                        | Securities and Exchange Board of India Act, 1992, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                   |
| SEBI Depository Regulations                                     | Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.                                                                                                                                                                                                                                                                                                                                                                         |
| SEBI (ICDR) Regulations/ Regulations                            | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.                                                                                                                                                                                                                                                                                                                                                          |
| SEBI Listing Regulations                                        | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.                                                                                                                                                                                                                                                                                                                                                       |
| SEBI Insider Trading Regulations                                | The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                            |
| SEBI Takeover Regulations /Takeover Regulations / Takeover Code | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                             |

| <b>Term</b>                     | <b>Description</b>                                                                                                                                                                 |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sec.                            | Section                                                                                                                                                                            |
| SENSEX                          | Bombay Stock Exchange Sensitive Index                                                                                                                                              |
| SME                             | Small and Medium Enterprise                                                                                                                                                        |
| SICA                            | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.                                                                                            |
| SSI                             | Small Scale Industry                                                                                                                                                               |
| SSI Undertaking                 | Small Scale Industrial Undertaking                                                                                                                                                 |
| Stock Exchange                  | BSE Limited & National Stock Exchange of India Limited                                                                                                                             |
| Sq.                             | Square                                                                                                                                                                             |
| Sq. mtr                         | Square Meter                                                                                                                                                                       |
| TAN                             | Tax Deduction Account Number                                                                                                                                                       |
| TRS                             | Transaction Registration Slip                                                                                                                                                      |
| TIN                             | Taxpayers Identification Number                                                                                                                                                    |
| TNW                             | Total Net Worth                                                                                                                                                                    |
| u/s                             | Under Section                                                                                                                                                                      |
| UIN                             | Unique Identification Number                                                                                                                                                       |
| US/ U.S. / USA                  | United States of America                                                                                                                                                           |
| USD or US\$                     | United States Dollar                                                                                                                                                               |
| U.S. GAAP                       | Generally accepted accounting principles in the United States of America                                                                                                           |
| UPI                             | Unified Payment Interface                                                                                                                                                          |
| UOI                             | Union of India                                                                                                                                                                     |
| Venture Capital Fund(s)/ VCF(s) | Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time. |
| WDV                             | Written Down Value                                                                                                                                                                 |
| w.e.f.                          | With effect from                                                                                                                                                                   |
| YoY                             | Year over Year                                                                                                                                                                     |

Notwithstanding the following:

- (i) In the section titled ‘Main Provisions of the Articles of Association’ beginning on page 386 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled ‘Restated Financial Statements’ beginning on page 238 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iii) In the chapter titled “Statement of Tax Benefits” beginning on page 122 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references in this Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America, together with its territories and possessions.

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Matangi”, and, unless the context otherwise indicates or implies, refers to Matangi Rubber Limited. In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off

### **Financial Data**

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Financial Information which includes Restated Financial information for the period ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Red Herring Prospectus, and set out in the section titled “Restated Financial Statement” beginning on page no 238 of this Draft Red Herring Prospectus. For further information, see “Summary of Financial Statements”, “Restated Financial Statement” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 71, 238 and 272, respectively.

Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the 12 months’ period ended 31<sup>st</sup> March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial information prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Restated Financial Statements’ beginning on page 238 of this Draft Red Herring Prospectus.

### **Currency of Presentation**

In this Draft Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.



All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Cr’, ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’.

## Exchange rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

| Currency | Exchange Rate |             |             |
|----------|---------------|-------------|-------------|
|          | Fiscal 2025   | Fiscal 2024 | Fiscal 2023 |
| 1 USD    | 85.58         | 83.37       | 82.22       |

(Source: RBI reference rate)

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

## Use of Industry & Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “Industry Research Report on Rubber (Tyre) Industry” dated April 23, 2025 prepared by Infomerics Analytics and Research Private Limited, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company, pursuant to the engagement letter dated February 28, 2025. Further, Infomerics Analytics and Research Private Limited, pursuant to their consent letter dated April 23, 2025 (“Letter”) has accorded their no objection and consent to use the Infomerics Report. Further, it is clarified that Infomerics Analytics and Research Private Limited is not related to our Company, our Promoter or our Directors. For further details in relation to risks involving the Infomerics Report, see the chapter titled “Risk Factors” beginning on page 31. The Company Commissioned Infomerics Report is also available on the website of our Company at <https://www.matangirubber.com/investor/>.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, adequacy and completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information, although we are of the view that the industry and market data used in this Draft Red Herring Prospectus is reliable. The excerpts of the Care Report are disclosed in the Issue Documents and there are nso parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “Basis for Issue Price” on page no. 116 includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page no. 31

**The Infomerics Report is subject to the following disclaimer:**

This Draft Red Herring Prospectus contains certain data and statistics from the Infomerics Report, which is subject to the following disclaimer:

*“This report is prepared by Infomerics Analytics & Research Private Limited. Infomerics Analytics & Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in Infomerics Analytics & Research's proprietary database, and other sources considered by Infomerics Analytics & Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of Infomerics Analytics & Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.*

*This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by Infomerics Analytics & Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.*

*Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or Infomerics Analytics & Research which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. Infomerics Analytics & Research is also not responsible for any errors in transmission and specifically states that it, or its directors, employees, parent company – Infomerics Valuation & Rating, or its directors, employees do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of Infomerics Analytics & Research Private Limited.*

*Infomerics Analytics & Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.”*

*[The remainder of this page has intentionally been left blank]*

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. An increase in raw material prices and fluctuations may adversely impact our business, financial condition, and operational results.
2. Our Business is dependent and will continue to be dependent on our manufacturing units. Any disruption, breakdown or failure of machinery, disruption to power sources or any unplanned or temporary shutdown of our manufacturing units capacities and an inability to effectively utilize our expanded production capacity, may have a material adverse effect on our business, results of operations, financial condition and cash flows.
3. Rubber is a combustible commodity which may lead to any fire mishaps or accidents that could lead to property damages, property loss and accident claim. Our main operations may be adversely affected in case of industrial accidents at our manufacturing units.

For further discussion on factors that could cause actual results to differ from expectations, see ‘Risk Factors’, ‘Our Business’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on pages 31, 172 and 272 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

We cannot assure you that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the investors in India are informed of material developments pertaining to our Company and the Offered Shares from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Issue.

## SUMMARY OF THE ISSUE DOCUMENT

This section is a general summary of the terms of the Issue and certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Industry Overview”, “Our Business”, “Objects of the Issue”, “Our Promoters and Promoter Group”, “Financial Statements”, “Outstanding Litigation and Material Developments”, “Issue Structure”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 31, 69, 87, 125, 172, 101, 228, 238, 292, 345 and 272 respectively.

### Primary Business of our Company

We are engaged in manufacturing tyre flaps and tubes primarily used in commercial vehicles such as trucks, buses, and heavy utility vehicles. We have five manufacturing plants of which two are located in Selaqui (Uttarakhand), two are located in Bhind (Madhya Pradesh) and one is located in Gummidipoondi (Tamil Nadu). Our business model comprises of Contract Manufacturing, where we produce tyre flaps using procured raw materials and customize them with client logos for supply; and Job Work Services, where principal companies provide raw materials, and we undertake processing or conversion into tyre flaps and tubes, earning conversion charges as per agreed terms.

For further information, see “Our Business” on page 172.

### Industry Overview

India is the third-largest producer and second-largest consumer of natural rubber, with a robust rubber industry comprising around 6,000 units. These include large, medium, and small-scale enterprises producing over 35,000 rubber products and employing 400,000 people. With an annual turnover of ₹200 billion and contributing ₹40 billion in taxes, the industry plays a vital role in the economy. Products range from tyres, tubes, footwear, and industrial goods to hi-tech items. Kerala leads rubber production, accounting for over 90% of output, with 92% of cultivation in small holdings. Around one million growers and 350,000 workers support this vital sector’s growth.

For further information, see “Industry Overview” on page 125.

### Our Promoters

Our Company is promoted by Mohit Gupta, Manju Gupta, Radhika Gupta and Vandana Rubber and Chemicals Private Limited.

For further details see “Our Promoters and Promoter Group” on page no. 228.

### Size of the Issue

|                                                                              |                                                                                                                                                                                  |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Equity Shares Issued:</b><br>Fresh Issue of Equity Shares by our Company. | Up to 37,09,600* Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per Equity Share aggregating ₹[●] lakhs.<br>*Subject to finalisation of Basis of Allotment. |
| <b>Out of which Market Maker Reservation Portion</b>                         | [●] Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.  |

*\*subject to the basis of allotment*

The Issue would constitute 26.50% of the Post-Issue paid up equity share capital of our Company. For further details, see “The Issue” and “Issue Structure” on pages 69 and 345 respectively.

The Issue has been authorized by a resolution of our Board dated June 16, 2025 and has been authorized pursuant to a special resolution of our Shareholders dated June 18, 2025.

## Object of the Issue

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

|              |                                                                                                                                                  | (₹ in lakhs) |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Sr. No.      | Particulars                                                                                                                                      | Estimated    |
| 1.           | Repayment in full or in part, of certain outstanding loans availed by our Company.                                                               | 2,500.00     |
| 2.           | Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Bhind, Madhya Pradesh) | 1,900.00     |
| 3.           | Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Bhind, Madhya Pradesh) | 700.00       |
| 4.           | General Corporate Purposes*                                                                                                                      | [•]          |
| <b>Total</b> |                                                                                                                                                  | [•]          |

\* To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹1,000.00 lakhs, whichever is less in accordance with the SEBI ICDR Regulations.

For further details, see “Objects of the Issue” on page 101.

## Aggregate Pre-Issue shareholding of our Promoters and Promoter Group

| Sr. No.             | Name of the Shareholder                      | Pre-Issue Equity Share capital                      |                                      | Post-Issue Equity Share capital                     |                                   |
|---------------------|----------------------------------------------|-----------------------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------|
|                     |                                              | No. of Equity Shares of face value of ₹10 each held | % of paid-up Equity Share of capital | No. of Equity Shares of face value of ₹10 each held | % of paid-up Equity Share capital |
| A. Promoters:       |                                              |                                                     |                                      |                                                     |                                   |
| 1.                  | Radhika Gupta                                | 49,30,500                                           | 47.92                                | 49,30,500                                           | 35.22                             |
| 2.                  | Mohit Gupta                                  | 16,02,144                                           | 15.57                                | 16,02,144                                           | 11.45                             |
| 3.                  | Manju Gupta                                  | 13,72,500                                           | 13.34                                | 13,72,500                                           | 9.80                              |
| 4.                  | Vandana Rubber and Chemicals Private Limited | 13,63,593                                           | 13.25                                | 13,63,593                                           | 9.74                              |
| Total (A)           |                                              | 92,68,737                                           | 90.09                                | 92,68,737                                           | 66.21                             |
| B. Promoters Group: |                                              |                                                     |                                      |                                                     |                                   |
| 1.                  | Alissa Nanak Sheth                           | 30                                                  | Negligible                           | 30                                                  | Negligible                        |
| Total (B)           |                                              | 30                                                  | Negligible                           | 30                                                  | Negligible                        |
| Total (A+B)         |                                              | 92,68,767                                           | 90.09                                | 92,68,767                                           | 66.21                             |

For further details, please see “Capital Structure” beginning on page 87.

## Aggregate Pre-Issue shareholding of our Promoters, our Promoter Group and the additional Top 10 Shareholders

The aggregate Pre-Issue shareholding of our Promoters, our Promoter Group and the additional top 10 Shareholders as a percentage of the Pre-Issue Paid-up Equity Share capital of our Company is set out below:

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| Sr. No.                        | Name of Shareholder                                | Pre-Issue            |                                                                                     | Post-Issue shareholding as at Allotment (1)                                   |                                                                                |                                                                                 |                                                                                |
|--------------------------------|----------------------------------------------------|----------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
|                                |                                                    | No. of Equity shares | Percentage of total pre-Issue paid up Equity Share capital on a fully diluted basis | At the lower end of the Price Band (₹[●])                                     |                                                                                | At the upper end of the Price Band (₹[●])                                       |                                                                                |
|                                |                                                    |                      |                                                                                     | No. of Equity Shares of face value ₹ 10 each held on a fully diluted basis(1) | % of total post-Issue paid up Equity Share capital on a fully diluted basis(1) | % of total post-Issue paid up Equity Share capital on a fully diluted basis#(1) | % of total post-Issue paid up Equity Share capital on a fully diluted basis(1) |
| Promoters                      |                                                    |                      |                                                                                     |                                                                               |                                                                                |                                                                                 |                                                                                |
| 1.                             | Radhika Gupta                                      | 49,30,500            | 47.92                                                                               | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 2.                             | Mohit Gupta                                        | 16,02,144            | 15.57                                                                               | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 3.                             | Manju Gupta                                        | 13,72,500            | 13.34                                                                               | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 4.                             | Vandana Rubber and Chemicals Private Limited       | 13,63,593            | 13.25                                                                               | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Total (A)                      |                                                    | 92,68,737            | 90.09                                                                               | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Promoter Group                 |                                                    |                      |                                                                                     |                                                                               |                                                                                |                                                                                 |                                                                                |
| 1.                             | Alissa Nanak Sheth                                 | 30                   | Negligible                                                                          | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Total (B)                      |                                                    | 30                   | Negligible                                                                          | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Additional top 10 shareholder# |                                                    |                      |                                                                                     |                                                                               |                                                                                |                                                                                 |                                                                                |
| 1.                             | Capri Global Holdings Private Limited              | 3,90,000             | 3.79                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 2.                             | Raghuvanshi Investment Private Limited             | 1,20,000             | 1.17                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 3.                             | Yuvraja Chanakya Singh                             | 1,20,000             | 1.17                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 4.                             | Emerging Securities Private Limited                | 1,65,000             | 1.60                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 5.                             | Value Prolific Consulting Services Private Limited | 90,000               | 0.87                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 6.                             | Kiran Dalmia                                       | 60,000               | 0.58                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 7.                             | Anju Khanna                                        | 30,000               | 0.29                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 8.                             | Priyanka Khanna                                    | 30,000               | 0.29                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 9.                             | Pratyush Handa                                     | 15,000               | 0.15                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 10.                            | Murli Dhar Vyas                                    | 30                   | Negligible                                                                          | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| 10.                            | Punit Marketing Private Limited                    | 30                   | Negligible                                                                          | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Total (C)                      |                                                    | 10,20,060            | 9.91                                                                                | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |
| Total (A+B+C)                  |                                                    | 1,02,88,827          | 100                                                                                 | [●]                                                                           | [●]                                                                            | [●]                                                                             | [●]                                                                            |

# There are top 10 shareholders other than promoters and promoter group which we have mentioned as the shareholding for Murli Dhar Vyas and Punit Marketing Private Limited is same (30 shares)

(1) Based on the Issue Price of ₹[●] and subject to finalization of the basis of allotment.

For further details, see “Capital Structure” on page 87.

## Summary of Restated Financial Information

| Particulars                  | (₹ in lakhs)                |                           |                           |
|------------------------------|-----------------------------|---------------------------|---------------------------|
|                              | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
| Equity Share Capital         | 342.96                      | 272.03                    | 219.60                    |
| Net Worth                    | 9,252.93                    | 4,617.91                  | 3,302.89                  |
| Revenue from Operations      | 10,137.01                   | 9,011.86                  | 8,535.75                  |
| Total Income                 | 10,475.75                   | 9,126.51                  | 8,645.08                  |
| Profit for the Year (PAT)    | 1,897.91                    | 476.03                    | 320.42                    |
| EPS (Face value ₹ 10/- each) |                             |                           |                           |
| - Basic                      | 61.42                       | 17.70                     | 15.83                     |
| - Diluted                    | 61.42                       | 17.70                     | 15.83                     |
| NAV per Equity Share*        | 269.80                      | 169.76                    | 150.40                    |
| Total Borrowings**           | 9,186.24                    | 6,293.76                  | 3,046.42                  |

\*Net Asset Value per equity shares arrived at net worth divided by number of outstanding shares

\*\*Includes long term and short term borrowings

For further details, please see “Restated Financial Statements” on page 238.

## Qualification of the Auditors

The Financial Statements as Restated do not contain any qualification requiring adjustments by the Auditors.

## Summary of Outstanding Litigation are as follows

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled “Outstanding Litigation and Material Developments” in terms of the SEBI ICDR Regulations is provided below:

| Name of entity               | Criminal proceedings | Tax proceedings | Statutory or regulatory proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Other material proceedings | Aggregate amount involved* (₹ in lakhs) |
|------------------------------|----------------------|-----------------|-------------------------------------|---------------------------------------------------------------------------|----------------------------|-----------------------------------------|
| <b>Company</b>               |                      |                 |                                     |                                                                           |                            |                                         |
| By our Company               | Nil                  | 1               | Nil                                 | Nil                                                                       | 1                          | 103.78                                  |
| Against our Company          | Nil                  | 10              | Nil                                 | Nil                                                                       | 2                          | 579.62                                  |
| <b>Directors<sup>@</sup></b> |                      |                 |                                     |                                                                           |                            |                                         |
| By our Directors             | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Directors        | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| <b>Promoters</b>             |                      |                 |                                     |                                                                           |                            |                                         |
| By our Promoters             | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Promoters        | Nil                  | 2               | Nil                                 | Nil                                                                       | Nil                        | 40.49                                   |
| <b>Subsidiaries</b>          |                      |                 |                                     |                                                                           |                            |                                         |
| By our Subsidiaries          | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Subsidiaries     | 1                    | 7               | Nil                                 | Nil                                                                       | 1                          | 11.47                                   |
| <b>Group Companies</b>       |                      |                 |                                     |                                                                           |                            |                                         |
| By our Group                 | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |



| Name of entity                           | Criminal proceedings | Tax proceedings | Statutory or regulatory proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Other material proceedings | Aggregate amount involved* (₹ in lakhs) |
|------------------------------------------|----------------------|-----------------|-------------------------------------|---------------------------------------------------------------------------|----------------------------|-----------------------------------------|
| Companies                                |                      |                 |                                     |                                                                           |                            |                                         |
| Against our Group Companies              | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| <b>Key Managerial Personnel</b>          |                      |                 |                                     |                                                                           |                            |                                         |
| By our Key Managerial Personnel          | Nil                  | -               | -                                   | -                                                                         | -                          | Nil                                     |
| Against our Key Managerial Personnel     | Nil                  | -               | Nil                                 | -                                                                         | -                          | Nil                                     |
| <b>Senior Management</b>                 |                      |                 |                                     |                                                                           |                            |                                         |
| By our members of Senior Management      | Nil                  | -               | -                                   | -                                                                         | -                          | Nil                                     |
| Against our members of Senior Management | Nil                  | -               | Nil                                 | -                                                                         | -                          | Nil                                     |

*\*To the extent ascertainable and quantifiable.*

*@Excluding legal proceedings against our Promoters namely Manju Gupta and Radhika Gupta.*

For the details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page no. 292.

## **Risk Factors**

Following are the top 10 risk factors; for further details investors should read chapter titled “Risk Factors” beginning on page no. 31.

1. There are certain outstanding legal proceedings involving our Company which if determined against us, may have an adverse effect on our business, cash flows and results of operations.
2. We have experienced negative cash flows from operating, investing and financing activities in the past and may continue to do so in the future, which could adversely affect our business, prospects, financial condition, cash flows, and results of operations.
3. An increase in raw material prices and fluctuations may adversely impact our business, financial condition, and operational results.
4. Our Business is dependent and will continue to be dependent on our manufacturing units. Any disruption, breakdown or failure of machinery, disruption to power sources or any unplanned or temporary shutdown of our manufacturing units capacities and an inability to effectively utilize our expanded production capacity, may have a material adverse effect on our business, results of operations, financial condition and cash flows.
5. Rubber is a combustible commodity which may lead to any fire mishaps or accidents that could lead to property damages, property loss and accident claim. Our main operations may be adversely affected in case of industrial accidents at our manufacturing units.
6. Our manufacturing activities require deployment of labours including contract labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.
7. Dependence upon transportation services for supply and transportation of our products and raw materials are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.

8. We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.
9. We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our business, financial condition, results of operations and cash flows.
10. Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.

#### **Summary of Contingent Liabilities**

As of March 31, 2025, contingent liabilities and commitments as disclosed in the notes to Restated Financial Information aggregated to ₹ 127.96 Lakhs. The details of contingent liabilities are as follows:

| <b>(₹ in lakhs)</b>    |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|
| <b>Particulars</b>     | <b>Fiscal 2025</b> | <b>Fiscal 2024</b> | <b>Fiscal 2023</b> |
| Contingent liabilities | 127.96             | 22.24              | 22.24              |

For further information, please see “Restated Financial Statement, note 35” beginning on page no. 238.

*[The remainder of this page has intentionally been left blank]*

## Summary of Related Party Transactions

(Rs in Lakhs)

| Sl. No                                       | Name of Related Party                              | Relation            | Nature of Transaction                                    | Transaction during 2024-25 | Consolidated balance as at March 31,2025 Receivable/ (payable) | Transaction during 2023-24 | Standalone balance as at March 31,2024 Receivable/ (payable) | Transaction during 2022-23 | Standalone balance as at March 31,2023 Receivable/ (payable) |
|----------------------------------------------|----------------------------------------------------|---------------------|----------------------------------------------------------|----------------------------|----------------------------------------------------------------|----------------------------|--------------------------------------------------------------|----------------------------|--------------------------------------------------------------|
| 1                                            | Mohit Gupta                                        | Director            | Directors Remuneration                                   | 93.00                      | -                                                              | 93.00                      | -                                                            | 93.00                      | -                                                            |
|                                              |                                                    |                     | Expenses Made by Director on Company Behalf & reimbursed | 68.69                      | -                                                              | 255.56                     | -                                                            | 246.35                     | -                                                            |
|                                              |                                                    |                     | Issue of Share Capital (Including Premium)               | 840.30                     | -                                                              | -                          | -                                                            | 113.55                     | -                                                            |
|                                              |                                                    |                     | Loan given/Advance to directors                          | 666.50                     | 203.02                                                         | 139.43                     | 635.33                                                       | -                          | 455.95                                                       |
|                                              |                                                    |                     | Loan Recovered                                           | 1,323.27                   | -                                                              | 9.54                       | -                                                            | -                          | -                                                            |
|                                              |                                                    |                     | Interest from Loans & advances                           | 21.44                      | -                                                              | 49.49                      | -                                                            | 32.98                      | -                                                            |
|                                              |                                                    |                     | Loan Received                                            | -                          | -                                                              | 139.96                     | -95.95                                                       | 67.75                      | -67.75                                                       |
| Loan repaid / Conversion of loan into equity | 95.95                                              |                     | -                                                        | 111.76                     | -                                                              | -                          | -                                                            |                            |                                                              |
| 2                                            | Radhika Gupta                                      |                     | Directors Remuneration                                   | 93.00                      | -                                                              | 126.00                     | -15.71                                                       | 93.00                      | -                                                            |
|                                              |                                                    |                     | Expenses Made by Director on Company Behalf & reimbursed | 17.50                      | -                                                              | 43.68                      | -                                                            | 42.36                      | -                                                            |
|                                              |                                                    |                     | Loan received                                            | 17.24                      | -                                                              | -                          | -0.73                                                        | 2.49                       | -0.73                                                        |
|                                              |                                                    |                     | Loan Repayment                                           | 17.97                      | -                                                              | -                          | -                                                            | 2.52                       | -                                                            |
| 3                                            | Manju Gupta                                        |                     | Directors Remuneration                                   | 93.00                      | -                                                              | 93.00                      | -                                                            | 93.00                      | -                                                            |
|                                              |                                                    |                     | Loan Given                                               | 684.36                     | 115.22                                                         | 423.88                     | 695.58                                                       | 324.19                     | 584.27                                                       |
|                                              |                                                    |                     | Loan Recovered                                           | 1,435.73                   | -                                                              | 370.00                     | -                                                            | 440.00                     | -                                                            |
|                                              |                                                    |                     | Interest from Loans & advances                           | 55.79                      | -                                                              | 57.43                      | -                                                            | 68.50                      | -                                                            |
|                                              |                                                    |                     | Expenses Made by Director on Company Behalf & reimbursed | 17.50                      | -                                                              | 113.03                     | -                                                            | 29.09                      | -                                                            |
|                                              |                                                    |                     | Issue of Share Capital (Including Premium)               | 228.00                     | -                                                              | -                          | -                                                            | 200.00                     | -                                                            |
| 4                                            | Murli Dhar Vyas                                    |                     | Directors Remuneration                                   | 12.00                      | -                                                              | -                          | -                                                            | -                          | -                                                            |
|                                              |                                                    |                     | Advance to employee                                      | 6.25                       | 6.25                                                           | -                          | -                                                            | -                          | -                                                            |
| 5                                            | Vijay Kumar Sharma (Appointed on 19 December 2024) | Company Secretary   | Remuneration                                             | 5.81                       | -1.70                                                          | -                          | -                                                            | -                          | -                                                            |
| 6                                            | Alissa Nanak Sheth                                 | Director's Relative | Loan Repayment                                           | 2.00                       | -118.74                                                        | -                          | -105.64                                                      | -                          | -105.64                                                      |
| 7                                            | Nanak Gunendra Sheth                               |                     | Loan received                                            | -                          | -10.00                                                         | -                          | -                                                            | -                          | -                                                            |

|                                                                                                                                   |                                      |                                                               |                                |         |         |        |         |        |        |
|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------|--------------------------------|---------|---------|--------|---------|--------|--------|
| 8                                                                                                                                 | Moonriver Interiors LLP              | Entities in which Director can exercise significant influence | Loan given                     | 1315.52 | 43.21   | 4.39   | 119.49  | 2.00   | 115.10 |
|                                                                                                                                   |                                      |                                                               | Loan recovered                 | 1434.76 |         | -      |         | -      |        |
| 9                                                                                                                                 | Qualimax Electronics Pvt Ltd         |                                                               | Sales                          | -       | -       | -      | -       | 104.61 | -      |
|                                                                                                                                   |                                      |                                                               | Purchase                       | -       | -       | -      | -       | 29.67  | -      |
|                                                                                                                                   |                                      |                                                               | Sundry Debtors                 | -       | 166.14  | -      | -       | -      | -      |
|                                                                                                                                   |                                      |                                                               | Loan Given                     | 1.22    | -       | 1.94   | 19.98   | 81.46  | 18.04  |
|                                                                                                                                   |                                      |                                                               | Loan recovered                 | 21.20   | -       | -      |         | 294.53 |        |
| 10                                                                                                                                | Vikram Polymers Pvt. Ltd.            |                                                               | Loan received                  | 4.71    | -4.71   | -      | -       | -      | -      |
|                                                                                                                                   |                                      |                                                               | Loan Given                     | 8.76    | 3.68    | 0.10   | 1.20    | 0.34   | 1.10   |
|                                                                                                                                   |                                      |                                                               | Loan recovered                 | 6.28    |         | -      |         | -      |        |
|                                                                                                                                   |                                      |                                                               | Investement in unquoted shares | -       | 4.15    | -      | 4.15    | -      | 4.15   |
|                                                                                                                                   |                                      |                                                               | Loan received                  | 0.88    | -9.70   | 737.25 | -9.98   | 1.89   | -1.89  |
| 11                                                                                                                                | Vandana Rubber and Chemicals Pvt Ltd |                                                               | Loan Repayment                 | 1.16    |         | 1.91   |         | -      |        |
|                                                                                                                                   |                                      |                                                               | Conversion of loan in Equity   | -       |         | 727.25 |         | -      |        |
|                                                                                                                                   |                                      |                                                               | Loan Given                     | -       | 22.00   | -      | -       | 5.32   | -      |
|                                                                                                                                   |                                      |                                                               | Loan recovered                 | 3.00    | -       | -      | -       | 5.60   | -      |
|                                                                                                                                   |                                      |                                                               | Investement in unquoted shares | -       | 1.88    | -      | 1.88    | -      | 1.88   |
| 12                                                                                                                                | Vantage Research Services Pvt. Ltd.  |                                                               | Loan received                  | -       | -220.91 | 185.00 | -211.41 | -      | -26.66 |
|                                                                                                                                   |                                      |                                                               | Loan Repayment                 | -       |         | 0.25   |         | 0.33   |        |
|                                                                                                                                   |                                      |                                                               | Investement in unquoted shares | -       | 52.20   | -      | 52.20   | -      | 52.20  |
| 13                                                                                                                                | Punit Marketing Pvt Ltd.             |                                                               | Loan received                  | -       | -134.04 | 67.00  | -31.41  | -      | -1.41  |
|                                                                                                                                   |                                      |                                                               | Loan Repayment                 | -       | -       | 37.00  | -       | -      | -      |
|                                                                                                                                   |                                      |                                                               | Loan Given                     | -       | 0.77    | 0.17   | 0.77    | 0.28   | 0.60   |
| 14                                                                                                                                | Vantage Brands Pvt. Ltd.             |                                                               | Investement in unquoted shares | -       | 1.71    | -      | 1.71    | -      | 1.71   |
|                                                                                                                                   |                                      |                                                               | Loan Given                     | -       | 2.91    | 0.17   | 0.91    | 0.52   | 0.74   |
| 15                                                                                                                                | Moonriver Designs Pvt Ltd            |                                                               | Loan Given                     | -       | 31.44   | 0.17   | 31.44   | 0.27   | 31.27  |
| 16                                                                                                                                | Siddhi Tyre Products India Pvt. Ltd  | Loan received                                                 | -                              | -77.46  | -       | -      | -       | -      |        |
|                                                                                                                                   |                                      | Loan Given                                                    | -                              | 0.64    | -       | 0.64   | -       | 0.64   |        |
| 17                                                                                                                                | East Cost ISPAT Pvt. Ltd.            | Loan received                                                 | -                              | -16.24  | -       | -      | -       | -      |        |
|                                                                                                                                   |                                      | Loan Given                                                    | -                              | 1.07    | 0.25    | 1.07   | 0.27    | 0.82   |        |
| # Balances for FY 24-25 includes balances from subsidiaries which are not available in FY 23-24 balances being standalone figures |                                      |                                                               |                                |         |         |        |         |        |        |

# Balances for FY 24-25 includes balances from subsidiaries which are not available in FY 23-24 balances being standalone figures

For details of the related party transactions, as per the requirements under Indian GAAP see 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Statements, see "Financial Information – Related Party Transaction on page no. 270

### Details of pre-IPO Placement

Our Company is not contemplating a pre-IPO placement.

### Details of price at which specified securities were acquired by our Promoters, Promoter Group and any shareholder having rights to nominate directors or any other rights in our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Except stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of the Promoter Group. There are no Shareholders with nominee director or other special rights, as on the date of this Draft Red Herring Prospectus.

The details of the price at which these acquisitions were undertaken are stated below:

| Name of the Shareholder                      | Category       | Date of Acquisition of Equity Shares | Name of Transaction                   | No. of Equity shares acquired | Acquisition price per Equity shares (in ₹.) |
|----------------------------------------------|----------------|--------------------------------------|---------------------------------------|-------------------------------|---------------------------------------------|
| Mohit Gupta                                  | Promoter       | February 14, 2023                    | Conversion Unsecured Loan into Equity | 70,697                        | 160                                         |
|                                              |                | April 24, 2023                       | Conversion Unsecured Loan into Equity | 69,845                        | 160                                         |
|                                              |                | June 03, 2024                        | Right Issue                           | 75,188                        | 160                                         |
|                                              |                | December 29, 2024                    | Private Placement (Swap of Shares)    | 1,51,578                      | 475                                         |
|                                              |                | July 28, 2025                        | Bonus                                 | 10,68,096                     | NA                                          |
| Manju Gupta                                  | Promoter       | February 14, 2023                    | Conversion Unsecured Loan into Equity | 1,25,000                      | 160                                         |
|                                              |                | April 17, 2024                       | Right Issue                           | 1,42,500                      | 160                                         |
|                                              |                | July 28, 2025                        | Bonus                                 | 9,15,000                      | NA                                          |
| Radhika Gupta                                | Promoter       | July 28, 2025                        | Bonus Issue                           | 32,87,000                     | NA                                          |
| Vandana Rubber and Chemicals Private Limited | Promoter       | April 24, 2023                       | Conversion Unsecured Loan into Equity | 4,54,531                      | 160                                         |
|                                              |                | July 28, 2025                        | Bonus                                 | 9,09,062                      | NA                                          |
| Alissa Nanak Sheth                           | Promoter Group | October 04, 2024                     | Gift                                  | 10                            | NA                                          |
|                                              |                | July 28, 2025                        | Bonus                                 | 30                            | NA                                          |

### Financing Arrangements

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

### Cost of Acquisition and Weighted Average Cost of Acquisition

The weighted average price at which the Equity Shares were acquired by our Promoters in one year preceding the date of this Draft Red Herring Prospectus is as follows:

| Name of Promoter | Number of Equity Shares | Weighted average price per Equity Share (in ₹.)* |
|------------------|-------------------------|--------------------------------------------------|
| Radhika Gupta    | 32,87,000               | Nil                                              |
| Mohit Gupta      | 12,19,644               | 59.03                                            |

| Name of Promoter                             | Number of Equity Shares | Weighted average price per Equity Share (in ₹.)* |
|----------------------------------------------|-------------------------|--------------------------------------------------|
| Manju Gupta                                  | 9,15,000                | Nil                                              |
| Vandana Rubber and Chemicals Private Limited | 9,09,062                | Nil                                              |

\*As certified by Ashwani & Associates, Chartered Accountants having FRN 000497N vide certificate dated July 31, 2025

The weighted average price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Red Herring Prospectus is as follows:

| Name of Promoter                             | Number of Equity Shares | Weighted average price per Equity Share (in ₹.)* |
|----------------------------------------------|-------------------------|--------------------------------------------------|
| Radhika Gupta                                | 32,87,000               | Nil                                              |
| Mohit Gupta                                  | 14,35,644               | 74.22                                            |
| Manju Gupta                                  | 11,82,500               | 36.19                                            |
| Vandana Rubber and Chemicals Private Limited | 13,63,593               | 53.33                                            |

\*As certified by Ashwani & Associates, Chartered Accountants having FRN 000497N vide certificate dated July 31, 2025

The average cost of acquisition per Equity Share of our Promoters as on the date of this Draft Red Herring Prospectus is:

| Name of Promoter                             | Number of Equity Shares | Average price per Equity Share (in ₹.)* |
|----------------------------------------------|-------------------------|-----------------------------------------|
| Radhika Gupta,                               | 49,30,500               | 2.95                                    |
| Mohit Gupta                                  | 16,02,144               | 67.55                                   |
| Manju Gupta                                  | 13,72,500               | 32.57                                   |
| Vandana Rubber and Chemicals Private Limited | 13,63,593               | 53.33                                   |

\*As certified by Ashwani & Associates, Chartered Accountants having FRN 000497N vide certificate dated July 31, 2025

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

Except as disclosed below, our company has not issued any Equity shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

| Date of allotment | Name of allottees                            | Number of Shares allotted | Face value per Share (₹) | Issue price per Share (₹) | Reasons for allotment          |
|-------------------|----------------------------------------------|---------------------------|--------------------------|---------------------------|--------------------------------|
| December 29, 2024 | Mohit Gupta                                  | 1,51,578                  | 10                       | 475                       | Private Placement (Share Swap) |
| July 28, 2025     | Radhika Gupta                                | 32,87,000                 | 10                       | NA                        | Bonus Issue                    |
|                   | Mohit Gupta                                  | 10,68,096                 | 10                       |                           |                                |
|                   | Manju Gupta                                  | 9,15,000                  | 10                       |                           |                                |
|                   | Vandana Rubber and Chemicals Private Limited | 9,09,062                  | 10                       |                           |                                |
|                   | Capri Global Holdings Private Limited        | 2,60,000                  | 10                       |                           |                                |
|                   | Emerging Securities Private Limited          | 1,10,000                  | 10                       |                           |                                |
|                   | Raghuvanshi Investment Private Limited       | 80,000                    | 10                       |                           |                                |

| Date of allotment | Name of allottees                                | Number of Shares allotted | Face value per Share (₹) | Issue price per Share (₹) | Reasons for allotment |
|-------------------|--------------------------------------------------|---------------------------|--------------------------|---------------------------|-----------------------|
|                   | Yuvraja Chanakya Singh                           | 80,000                    | 10                       |                           |                       |
|                   | Value Prolife Consulting Service Private Limited | 60,000                    | 10                       |                           |                       |
|                   | Kiran Dalmia                                     | 40,000                    | 10                       |                           |                       |
|                   | Anju Khanna                                      | 20,000                    | 10                       |                           |                       |
|                   | Priyanka Khanna                                  | 20,000                    | 10                       |                           |                       |
|                   | Pratyush Handa                                   | 10,000                    | 10                       |                           |                       |
|                   | Murli Dhar Vyas                                  | 20                        | 10                       |                           |                       |
|                   | Punit Marketing Private Limited                  | 20                        | 10                       |                           |                       |
|                   | Alissa Nanak Sheth                               | 20                        | 10                       |                           |                       |

#### **Split / Consolidation of Equity Shares in the last one year**

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

#### **Exemption from complying with any provisions of securities laws, if any, granted by the SEBI**

Our Company has not applied for or received any exemption by SEBI from complying with any provisions of securities laws including the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

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## SECTION II - RISK FACTOR

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on our business. If any or a combination of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Furthermore, some events may be material collectively rather than individually.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with “Our Business”, “Industry Overview” and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 172, 125 and 272 of this Draft Red Herring Prospectus, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors should rely on their own examination of us and the terms of the Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see “Forward-Looking Statements” on page 19 of this Draft Red Herring Prospectus.*

*Unless the context requires otherwise, the financial information used in this section is derived from our Restated Financial Statements on page 238 of this Draft Red Herring Prospectus. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.*

*Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled “Infomerics Analytics & Research Report” released on April 23, 2025 prepared by Infomerics Analytics & Research Private Limited appointed by our Company pursuant to an engagement letter dated February 28, 2025 and such Infomerics Analytics & Research Report has been commissioned by and paid for by our Company, exclusively in connection with the Issue. The Industry Report is available on the website of our Company at [www.matangirubber.com](http://www.matangirubber.com). Unless otherwise indicated, financial, operational, industry and other related information derived from the Infomerics Analytics & Research Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### ***Internal Risk Factors***

#### ***Risks Relating to our Business***

- 1. There are certain outstanding legal proceedings involving our Company which if determined against us, may have an adverse effect on our business, cash flows and results of operations.***

There are certain outstanding legal proceedings involving our Company, as on the date of this Draft Red Herring Prospectus. Brief details of such outstanding litigations are set forth below:

| Name of entity                           | Criminal proceedings | Tax proceedings | Statutory or regulatory proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Other material proceedings | Aggregate amount involved* (₹ in lakhs) |
|------------------------------------------|----------------------|-----------------|-------------------------------------|---------------------------------------------------------------------------|----------------------------|-----------------------------------------|
| <b>Company</b>                           |                      |                 |                                     |                                                                           |                            |                                         |
| By our Company                           | Nil                  | 1               | Nil                                 | Nil                                                                       | 1                          | 103.78                                  |
| Against our Company                      | Nil                  | 10              | Nil                                 | Nil                                                                       | 2                          | 579.62                                  |
| <b>Directors@</b>                        |                      |                 |                                     |                                                                           |                            |                                         |
| By our Directors                         | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Directors                    | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| <b>Promoters</b>                         |                      |                 |                                     |                                                                           |                            |                                         |
| By our Promoters                         | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Promoters                    | Nil                  | 2               | Nil                                 | Nil                                                                       | Nil                        | 40.49                                   |
| <b>Subsidiaries</b>                      |                      |                 |                                     |                                                                           |                            |                                         |
| By our Subsidiaries                      | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Subsidiaries                 | 1                    | 7               | Nil                                 | Nil                                                                       | 1                          | 11.47                                   |
| <b>Group Companies</b>                   |                      |                 |                                     |                                                                           |                            |                                         |
| By our Group Companies                   | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| Against our Group Companies              | Nil                  | Nil             | Nil                                 | Nil                                                                       | Nil                        | Nil                                     |
| <b>Key Managerial Personnel</b>          |                      |                 |                                     |                                                                           |                            |                                         |
| By our Key Managerial Personnel          | Nil                  | -               | -                                   | -                                                                         | -                          | Nil                                     |
| Against our Key Managerial Personnel     | Nil                  | -               | Nil                                 | -                                                                         | -                          | Nil                                     |
| <b>Senior Management</b>                 |                      |                 |                                     |                                                                           |                            |                                         |
| By our members of Senior Management      | Nil                  | -               | -                                   | -                                                                         | -                          | Nil                                     |
| Against our members of Senior Management | Nil                  | -               | Nil                                 | -                                                                         | -                          | Nil                                     |

\*To the extent ascertainable and quantifiable.

@Excluding legal proceedings against our Promoters namely Manju Gupta and Radhika Gupta.

We cannot assure you that legal proceedings will be settled in our favour or at all, or that no additional liability will arise out of these proceedings. Further, such proceedings could divert our management's time and attention and consume financial resources in their defense or prosecution. Further, an adverse outcome in any of these proceedings may affect our reputation, standing with customers and future business, and could adversely affect

our business, financial condition and results of operations. For further details of the outstanding litigation proceedings, see “*Outstanding Litigations and Material Developments*” on page 292.

**2. *We have experienced negative cash flows from operating, investing and financing activities in the past and may continue to do so in the future, which could adversely affect our business, prospects, financial condition, cash flows, and results of operations.***

Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could adversely affect our business, prospects, financial condition, cash flows, and results of operations.

We have experienced negative cash flow from operating activities in Fiscal 2024, negative cash flow from investing activities in Fiscal 2025, Fiscal 2024 and Fiscal 2023, negative cash flow from financing activities in Fiscal 2022. . Our cash flow for the last three Fiscals are set forth in the table below:

(₹ in lakhs)

| Particulars                                                               | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
|---------------------------------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Net cash flows from Operating Activities (A)                              | 2060.97                       | (1,082.86)                  | 756.36                      |
| Net cash flows used in Investing Activities (B)                           | (5,033.86)                    | (2,727.02)                  | (691.05)                    |
| Net cash flows used in Financing Activities (C)                           | 3173.43                       | 3784.29                     | (18.89)                     |
| <b>Net increase/(decrease) in cash and cash equivalents<br/>(D=A+B+C)</b> | 261.47                        | 35.63                       | 61.22                       |

Cash flow is a critical indicator of our ability to generate sufficient funds from operations to cover capital expenditures, pay dividends, repay loans, and make new investments without resorting to external financing. If we fail to generate adequate cash flows, it may negatively impact our business operations and hinder our growth prospects.

**3. *An increase in raw material prices and fluctuations may adversely impact our business, financial condition, and operational results.***

We primarily utilise natural rubber and synthetic rubber in our manufacturing process. Additionally, we also require carbon black, chemicals, fillers and oil in our manufacturing process. The raw material is purchased in the spot market based on the rates offered by various suppliers. Natural Rubber rates are published daily at The Rubber Board Website ([www.rubberboard.org.in](http://www.rubberboard.org.in)) and Synthetic Rubber Prices are published fortnightly by Reliance Industries Ltd. and ISRL (JV of Indian Oil Corporation). Set forth below is the cost of materials consumed by us for the years indicated:

| Particulars           | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
|-----------------------|-------------------------------|-----------------------------|-----------------------------|
| Raw Material Consumed | 4,429.22                      | 5,679.09                    | 5,866.68                    |

We are vulnerable to the risk of rising and fluctuating prices of raw materials which are determined by demand and supply conditions in the global and Indian markets. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance and cash flows.

Our manufacturing operations may face significant cost overruns or losses due to unforeseen cost increases arising from factors such as raw material shortages or price fluctuations, production costs, changes in taxation or regulatory requirements, delays in statutory approvals and supply chain disruptions beyond our control. Any of these factors could impact our profitability and adversely affect our overall financial performance.

Additionally, except with JK Tyre and Industries Limited, we do not enter into long-term supply agreements with our suppliers and purchase all raw materials on a need basis, primarily through the spot market. We aim to source these materials from a diverse range of suppliers. However, we may face risks associated with compensating for or passing on increased production costs due to fluctuations in raw material prices to our customers. Upward

fluctuations in raw material prices can directly or indirectly affect our margins, which in turn may have a significant impact on our profitability, resulting in a material adverse effect on our business, financial condition, and results of operations.

India is positioning itself to become a leading supplier of rubber products by 2030, with per capita consumption expected to rise from the current 1.3 kg to 2.5 kg. The country's total rubber consumption is projected to double from 1.8 million tonnes to 3.6 million tonnes by 2030 (*Source: Infomerics Report*). –While we have not faced any late deliveries from suppliers, we may experience late deliveries from suppliers in future, forcing us to purchase raw materials at higher prices or with lower conversion efficiencies and specifications. Such issues could result in reduced revenues and adversely affect our business operations.

There can be no assurance that the current procurement efforts will be successful in ensuring an adequate supply of raw materials at viable prices to meet our production requirements. If we are unable to meet customer demand for our products or if our products are only available at a higher price because of a shortage of raw materials, we could lose customers, market share and revenue. Further, many of our competitors, that also purchase raw materials from our suppliers, may have stronger relationships as well as greater bargaining power with the suppliers. This may materially and adversely affect our business, financial condition, results of operations and cash flow.

In addition, any restrictions imposed by the Central or State governments, or any adverse changes in policies or regulations related to the supply of our raw materials, could negatively impact our business, prospects, financial condition, and results of operations. While we only have imports of approximately 6.00% of our total raw materials, any unforeseen restrictions, changes in tariffs, or non-tariff barriers affecting domestic suppliers or supply chains could still lead to disruptions. Such changes could impact the availability, cost, and timely delivery of raw materials, potentially affecting our ability to meet production schedules and customer demands. Furthermore, there can be no assurance that we would be able to quickly identify alternate suppliers or secure favourable terms for raw materials in case of such disruptions. Any such challenges may adversely affect our operations and business performance. For further details, see section titled “*Restated Financial Statements*” beginning on page 238 of this Draft Red Herring Prospectus.

4. ***Our Business is dependent and will continue to be dependent on our manufacturing units. Any disruption, breakdown or failure of machinery, disruption to power sources or any unplanned or temporary shutdown of our manufacturing units capacities and an inability to effectively utilize our expanded production capacity, may have a material adverse effect on our business, results of operations, financial condition and cash flows.***

We operate three manufacturing facilities, namely (i) Plant No. I located at Selaqui, Dist. Dehradun, Uttarakhand; (ii) Plant No. II located at Gummidipoondi, Dist Tiruvallur, Tamil Nadu; and (iii) Plant No. III located at Malanpur Industrial Estate, Dist. Bhind, (Madhya Pradesh.) (Facility operated by our Material Subsidiary viz. MG Industries Limited) Set forth below are the rates of our capacity utilization in respect of our manufacturing units for the periods indicated:

**Selaqui (Dehradun, Uttarakhand) Plant**

| Particulars       | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------|-------------|-------------|-------------|
| Capacity (Nos.)   | 32,40,000   | 32,40,000   | 32,40,000   |
| Production (Nos.) | 22,95,636   | 25,50,124   | 25,35,203   |
| Utilization %     | 70.85       | 78.71       | 78.25       |

**Gummidipoondi (Chennai, Tamil Nadu) Plant**

| Particulars       | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------|-------------|-------------|-------------|
| Capacity (Nos.)   | 10,80,000   | 10,80,000   | 9,60,000    |
| Production (Nos.) | 7,36,300    | 7,51,950    | 6,05,690    |
| Utilization %     | 68.18       | 69.63       | 63.09       |

**Bhind (Gwalior, Madhya Pradesh) Plant**

| Particulars       | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------|-------------|-------------|-------------|
| Capacity (Nos.)   | 25,00,000   | 25,00,000   | 25,00,000   |
| Production (Nos.) | 23,59,011   | 20,71,629   | 19,39,709   |
| Utilization %     | 94.36       | 82.87       | 77.59       |

For further details in relation to our existing manufacturing units and production capabilities and our expansion strategy, see “*Our Business – Our Manufacturing Facilities*” and “*Our Business – Our Strategies*” on pages 175 and 193, respectively. Our business is dependent on our ability to efficiently manage our units and the operational risks associated with them, including those beyond our control.

Our existing manufacturing facilities are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe climate conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same.

In addition, we may be required to carry out planned shutdowns of our facilities for cleaning and maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Any unscheduled, unplanned or prolonged disruption of our manufacturing process, including on account of power failure, industrial accidents, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour, or disagreements with our workforce, lock-outs, could affect our ability to operate our units. Obsolescence, destruction, theft or breakdowns of our machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations.

Further, any accident may result in a loss of property and/ or disruption in our production operations entirely, levy of fines, penalties or compensation and/or adverse action against our employees, officers or management, which could also have an adverse effect on our business, operations, cash flows and overall financial condition.

Although, we have not experienced any significant disruptions at any of our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations for limited time or under-utilization.

Additionally, the level of our capacity utilization can impact our operating results. Further, if there is any under-utilization of our proposed capacities, then the capacity of the manufacturing unit will not be fully utilized, which could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance. Our capacity utilization is affected by industry/ market conditions as well as by the product requirements of, and procurement practice followed by, our customers. In the event that we are unable to optimize our production process and use of machinery, we would not be able to achieve full capacity utilization of our units, resulting in operational inefficiencies which could have an adverse effect on our business prospects and financial performance. Further, if our customers place orders for less than anticipated volume of products or cancel existing orders or change their procurement policies, resulting in reduced quantities being supplied by us, it could result in the under-utilization of our manufacturing capacities. The changes in demand for the product could reduce our

ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our manufacturing capacity for our product. Any such mismatch leading to over or under utilization of our manufacturing units could adversely affect our business, results of operations, cash flows and financial condition.

5. ***Rubber is a combustible commodity which may lead to any fire mishaps or accidents that could lead to property damages, property loss and accident claim. Our main operations may be adversely affected in case of industrial accidents at our manufacturing units.***

Rubber being a combustible commodity, every stage from procurement, processing, storage and transportation to final dispatch is fraught with an imminent danger of an instant fire. Except at Dehradun facility in April 10, 2022 where a fire occurred due to electric line short circuit, there was no human loss nor injury was caused to any employees and labours, however, we incurred a loss of Rs.70.00 lakhs. Other than as mentioned our Company has not faced any such incident of fire mishaps or accidents at any of our manufacturing facilities in the last three Fiscals. The risk of fire hazard is increased due to increased automation and use of large volume of air for material handling. Any spark generated can not only generate fire but also the same could propagate to other machines through spread of fire by rubber's flammability. Though we have obtained insurance policies to cover damage caused by fire, the cover may not be adequate to the loss suffered. For further details of our business, please refer to the chapter titled "Our Business" beginning on page 172 of this Draft Red Herring Prospectus.

6. ***Our manufacturing activities require deployment of labours including contract labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.***

Our manufacturing operations require deployment and depend our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability.

We cannot assure you that we will continue to comply with all the labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase.

We appoint contract labour for carrying out certain operations through independent contractors. As on May 31, 2025, we have 75, 36 and 215 contract labourers at Selaqui (Dehradun, Uttarakhand) Plant, Gummidipoondi (Chennai, Tamil Nadu) Plant and Bhind (Gwalior, Madhya Pradesh) Plant respectively. Although we do not engage these labourers directly, we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition. In the event any regulatory body or court passes orders which require us to regularize any of the casual or contract labourers as regular employees, it may have an adverse effect on our business, results of operations and financial condition due to the various factors including increase in wages. Furthermore, any upward revision of wages that may be required by the State government to be paid to such contract labourers would increase our costs and may adversely affect the business and results of our operations.

If we are unable to obtain the services of skilled and unskilled workmen or at reasonable rates it may adversely affect our business and results of operations. In addition, our manufacturing facilities are dependent on technology driven production systems and any inability of the contract labourers to familiarize themselves with such technology could adversely affect our business and results of operations.

7. ***Dependence upon transportation services for supply and transportation of our products and raw materials are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.***

The raw material required for contract manufacturing of tyre flaps is primarily transported by our vendors' vehicles. We also have an in-house transportation facility for transport of certain raw material to our manufacturing units. Further, the finished goods are either collected by our customers from the Company's

factory premises or delivered by us using our own fleet of vehicles. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lockouts, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, movement of goods encounters additional risks such as accidents, spoilage, and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

**8. *We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all. Further, in the future, we may also be required to obtain new licenses, registrations and approvals for the proposed expansion of our business. For instance, the Company is yet to make an application for obtaining approval of the factory layout plan for the proposed expansion at its Malanpur unit. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business.

For further details on the licenses obtained by us and licenses for which renewal and other applications have been made, please see the chapter titled “Government and Statutory Approvals” beginning on page 303 of this Draft Red Herring Prospectus.

**9. *We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our business, financial condition, results of operations and cash flows.***

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees’ State Insurance Act, 1948, respectively, professional taxes, gratuity and tax deducted at source (“TDS”). The table below sets forth the details of the delays in statutory dues payable by our Company for the periods indicated below:

**Provident Fund**

**Financial Year 2024-25**

| Sl. No. | April | Due Date | Date of Payment | Delay Days | No. of Employees | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|------------------|-----------------|
| 1       | April | 15-05-24 | 15-06-24        | 31         | 78               | 153618          |
| 2       | May   | 15-06-24 | 17-07-24        | 32         | 78               | 152007          |
| 3       | July  | 15-08-24 | 20-08-24        | 5          | 80               | 193286          |
| 4       | Aug   | 15-09-24 | 15-10-24        | 30         | 81               | 201210          |
| 5       | Nov   | 15-12-24 | 17-12-24        | 2          | 67               | 191679          |



**Financial Year 2023-24**

| Sl. No. | Month | Due Date | Date of Payment | Delay Days | No. of Employees | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|------------------|-----------------|
| 1       | April | 15-05-23 | 29-05-23        | 14         | 87               | 179500          |
| 2       | May   | 15-06-23 | 26-06-23        | 11         | 87               | 178321          |
| 3       | June  | 15-07-23 | 26-07-23        | 11         | 88               | 189824          |
| 4       | July  | 15-08-23 | 22-08-23        | 7          | 89               | 180841          |
| 5       | Aug   | 15-09-23 | 07-10-23        | 22         | 85               | 178326          |
| 6       | Sep   | 15-10-23 | 14-01-24        | 91         | 83               | 165822          |
| 7       | Oct   | 15-11-23 | 14-01-24        | 60         | 79               | 154547          |
| 8       | Nov   | 15-12-23 | 14-01-24        | 30         | 80               | 157776          |
| 9       | March | 15-04-24 | 04-05-24        | 19         | 78               | 149344          |

**Financial Year 2022-23**

| Sl. No. | Month | Due Date | Date of Payment | Delay Days | No. of Employees | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|------------------|-----------------|
| 1       | April | 15-05-22 | 26-05-22        | 11         | 69               | 132849          |
| 2       | May   | 15-06-22 | 28-06-22        | 13         | 65               | 127468          |
| 3       | July  | 15-08-22 | 16-08-22        | 1          | 63               | 121937          |
| 4       | Nov   | 15-12-22 | 16-12-22        | 1          | 71               | 149463          |
| 5       | Dec   | 15-01-23 | 27-01-23        | 12         | 79               | 176940          |
| 6       | Jan   | 15-02-23 | 06-03-23        | 19         | 80               | 166433          |
| 7       | Feb   | 15-03-23 | 10-04-23        | 26         | 89               | 168067          |

**ESIC****Financial Year 2024-25**

| Sl. No. | Month | Due Date | Date of Payment | Delay Days | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|-----------------|
| 1       | April | 15-05-24 | 03-06-24        | 19         | 35143           |
| 2       | June  | 15-07-24 | 17-07-24        | 2          | 33978           |
| 3       | July  | 15-08-24 | 20-08-24        | 5          | 36114           |
| 4       | Sep   | 15-10-24 | 17-10-24        | 2          | 19749           |

**Financial Year 2023-24**

| Sl. No. | Month | Due Date | Date of Payment | Delay Days | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|-----------------|
| 1       | April | 15-05-23 | 29-05-23        | 14         | 40347           |
| 2       | Aug   | 15-09-23 | 06-10-23        | 21         | 42539           |
| 3       | Sep   | 15-10-23 | 12-01-24        | 89         | 41267           |
| 4       | Oct   | 15-11-23 | 29-12-23        | 44         | 38635           |
| 5       | Nov   | 15-12-23 | 29-12-23        | 14         | 40016           |
| 6       | Jan   | 15-02-24 | 17-02-24        | 2          | 37277           |
| 7       | March | 15-04-24 | 04-05-24        | 19         | 33831           |

**Financial Year 2022-23**

| Sl. No. | Month | Due Date | Date of Payment | Delay Days | Amount (In Rs.) |
|---------|-------|----------|-----------------|------------|-----------------|
| 1       | Dec   | 15-01-23 | 18-01-23        | 3          | 40027           |
| 2       | Jan   | 15-02-23 | 06-03-23        | 19         | 37931           |
| 3       | Feb   | 15-03-23 | 10-04-23        | 26         | 32646           |



## **TDS**

### **Financial Year 2024-25**

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 1       | 07-05-24 | 28-07-24        | 82         |
| 2       | 07-06-24 | 28-07-24        | 51         |
| 3       | 07-07-24 | 28-07-24        | 21         |
| 4       | 07-08-24 | 07-09-24        | 31         |
| 5       | 07-10-24 | 14-10-24        | 7          |

### **Financial Year 2023-24**

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 1       | 07-05-23 | 29-05-23        | 22         |
| 2       | 07-06-23 | 24-07-23        | 47         |
| 3       | 07-07-23 | 26-07-23        | 19         |
| 4       | 07-08-23 | 08-09-23        | 32         |
| 5       | 07-09-23 | 11-09-23        | 4          |
| 6       | 07-10-23 | 05-01-24        | 90         |
| 7       | 07-11-23 | 05-01-24        | 59         |
| 8       | 07-12-23 | 05-01-24        | 29         |
| 9       | 07-01-24 | 13-01-24        | 6          |
| 10      | 07-02-24 | 30-03-24        | 52         |
| 11      | 07-03-24 | 30-03-24        | 23         |

### **Financial Year 2022-23**

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 1       | 07-05-22 | 26-05-22        | 19         |
| 2       | 07-06-22 | 23-06-22        | 16         |
| 3       | 07-07-22 | 13-07-22        | 6          |
| 4       | 07-09-22 | 09-09-22        | 2          |
| 5       | 07-10-22 | 14-10-22        | 7          |
| 6       | 07-11-22 | 11-11-22        | 4          |
| 7       | 07-12-22 | 28-12-22        | 21         |
| 8       | 07-01-23 | 19-01-23        | 12         |
| 9       | 07-02-23 | 07-03-23        | 28         |

## **GSTR – 1**

State code: 05AAECM3222B1Z8

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

State code: 07AAECM3222B2Z3

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

State code: 33AAECM3222B1Z9

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

### **GSTR – 3**

State code: 05AAECM3222B1Z8

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay Days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | April      | 20-05-24 | 23-05-24       | 3          |
| 2       | 2024-2025      | May        | 20-06-24 | 24-06-24       | 4          |
| 3       | 2024-2025      | June       | 20-07-24 | 25-07-24       | 5          |
| 4       | 2024-2025      | July       | 20-08-24 | 28-08-24       | 8          |
| 5       | 2024-2025      | Aug        | 20-09-24 | 21-09-24       | 1          |
| 6       | 2024-2025      | Dec        | 20-01-25 | 21-01-25       | 1          |
| 7       | 2024-2025      | Feb        | 20-03-25 | 21-03-25       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2023-2024      | Sep        | 20-10-23 | 21-10-23       | 1          |
| 2       | 2023-2024      | Jan        | 20-02-24 | 27-02-24       | 7          |
| 3       | 2023-2024      | Feb        | 20-03-24 | 22-03-24       | 2          |
| 4       | 2023-2024      | March      | 20-04-24 | 21-04-24       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2022-2023      | April      | 20-05-22 | 24-05-22       | 4          |
| 2       | 2022-2023      | June       | 20-07-22 | 22-07-22       | 2          |
| 3       | 2022-2023      | Jan        | 20-02-23 | 22-02-23       | 2          |

State code: 07AAECM3222B2Z3

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | April      | 20-05-24 | 21-05-24       | 1          |
| 2       | 2024-2025      | May        | 20-06-24 | 24-06-24       | 4          |
| 3       | 2024-2025      | June       | 20-07-24 | 22-07-24       | 2          |
| 4       | 2024-2025      | July       | 20-08-24 | 21-08-24       | 1          |
| 5       | 2024-2025      | Dec        | 20-01-25 | 21-01-25       | 1          |
| 6       | 2024-2025      | Feb        | 20-03-25 | 22-03-25       | 2          |
| 7       | 2024-2025      | March      | 20-04-25 | 21-04-25       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2023-2024      | Sep        | 20-10-23 | 21-10-23       | 1          |
| 2       | 2023-2024      | Oct        | 20-11-23 | 20-11-23       |            |
| 3       | 2023-2024      | Jan        | 20-02-24 | 21-02-24       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2022-2023      | April      | 20-05-22 | 23-05-22       | 3          |
| 2       | 2022-2023      | May        | 20-06-22 | 21-06-22       | 1          |
| 3       | 2022-2023      | June       | 20-07-22 | 22-07-22       | 2          |

State code: 33AAECM3222B1Z9

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2024-2025      | April      | 20-05-24 | 21-05-24       | 1          |
| 2       | 2024-2025      | May        | 20-06-24 | 24-06-24       | 4          |

|   |           |      |          |          |   |
|---|-----------|------|----------|----------|---|
| 3 | 2024-2025 | June | 20-07-24 | 25-07-24 | 5 |
| 4 | 2024-2025 | July | 20-08-24 | 24-08-24 | 4 |
| 5 | 2024-2025 | Dec  | 20-01-25 | 21-01-25 | 1 |
| 6 | 2024-2025 | Feb  | 20-03-25 | 22-03-25 | 2 |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2023-2024      | Sep        | 20-10-23 | 21-10-23       | 1          |
| 2       | 2023-2024      | Jan        | 20-02-24 | 21-02-24       | 1          |
| 3       | 2023-2024      | March      | 20-04-24 | 21-04-24       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1       | 2022-2023      | April      | 20-05-22 | 23-05-22       | 3          |
| 3       | 2022-2023      | June       | 20-07-22 | 22-07-22       | 2          |

### **GSTR-9**

State code: 05AAECM3222B1Z8

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023- 2024     | 31-12-24 | 16-04-25       | 106        |

State code: 07AAECM3222B2Z3

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023-2024      | 31-12-24 | 03-04-25       | 93         |

State code: 33AAECM3222B1Z9

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023-2024      | 31-12-24 | 03-04-25       | 93         |

### **GSTR-9C**

State code: 05AAECM3222B1Z8

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023- 2024     | 31-12-24 | 18-04-25       | 108        |

State code: 07AAECM3222B2Z3

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023-2024      | 31-12-24 | 11-04-25       | 101        |

State code: 33AAECM3222B1Z9

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay days |
|---------|----------------|----------|----------------|------------|
| 1       | 2023-2024      | 31-12-24 | 11-04-25       | 101        |

**M G Industries Limited (Material Subsidiary)**

**GSTR – 1**

State code: 05AACCM5567B1ZQ (Dehradun)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2023-2024      | Aug        | 11-09-23 | 15-09-23       | 4          |

State code: 07AACCM5567B1ZM (Delhi)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

State code: 23AACCM5567B1ZS (Gwalior)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | Dec        | 11-01-25 | 13-01-25       | 2          |

### GSTR – 3

State code: 05AACCM5567B1ZQ (Dehradun)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay Days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | April      | 20-05-24 | 21-05-24       | 1          |
| 2.      | 2024-2025      | July       | 20-08-24 | 21-08-24       | 1          |
| 3.      | 2024-2025      | Aug        | 20-09-24 | 21-09-24       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2023-2024      | Jan        | 20-02-24 | 21-02-24       | 1          |

State code: 07AACCM5567B1ZM (Delhi)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | April      | 20-05-24 | 21-05-24       | 1          |
| 2.      | 2024-2025      | June       | 20-07-24 | 22-07-24       | 2          |
| 3.      | 2024-2025      | July       | 20-08-24 | 21-08-24       | 1          |
| 4.      | 2024-2025      | Dec        | 20-01-25 | 22-01-25       | 2          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2023-2024      | Jan        | 20-02-24 | 21-02-24       | 1          |
| 2.      | 2023-2024      | March      | 20-04-24 | 21-04-24       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2022-2023      | April      | 20-05-22 | 23-05-22       | 3          |

State code: 23AACCM5567B1ZS (Gwalior)

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2024-2025      | April      | 20-05-24 | 21-05-24       | 1          |
| 2.      | 2024-2025      | May        | 20-06-24 | 30-06-24       | 10         |
| 3.      | 2024-2025      | June       | 20-07-24 | 26-07-24       | 6          |
| 4.      | 2024-2025      | July       | 20-08-24 | 23-08-24       | 3          |
| 5.      | 2024-2025      | Aug        | 20-09-24 | 21-09-24       | 1          |
| 6.      | 2024-2025      | March      | 20-04-25 | 21-04-25       | 1          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2023-2024      | Oct        | 20-11-23 | 22-11-23       | 2          |
| 2.      | 2023-2024      | Nov        | 20-12-23 | 22-12-23       | 2          |
| 3.      | 2023-2024      | Jan        | 20-02-24 | 21-02-24       | 1          |
| 4.      | 2023-2024      | Feb        | 20-03-24 | 21-03-24       | 1          |
| 5.      | 2023-2024      | March      | 20-04-24 | 29-04-24       | 9          |

| Sl. No. | Financial Year | Tax Period | Due Date | Date of Filing | Delay days |
|---------|----------------|------------|----------|----------------|------------|
| 1.      | 2022-2023      | April      | 20-05-22 | 25-05-22       | 5          |
| 2.      | 2022-2023      | May        | 20-06-22 | 21-06-22       | 1          |
| 3.      | 2022-2023      | June       | 20-07-22 | 22-07-22       | 2          |

## GSTR 9

State code: 05AACCM5567B1ZQ (Dehradun)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 16-04-25       | 106        |

State code: 07AACCM5567B1ZM (Delhi)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 03-04-25       | 93         |

State code: 23AACCM5567B1ZS (Gwalior)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 03-04-25       | 93         |

## GSTR 9C

State code: 05AACCM5567B1ZQ (Dehradun)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 18-04-25       | 108        |

State code: 07AACCM5567B1ZM (Delhi)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 03-04-25       | 93         |

State code: 23AACCM5567B1ZS (Gwalior)

| Sl. No. | Financial Year | Due Date | Date of Filing | Delay Days |
|---------|----------------|----------|----------------|------------|
| 1.      | 2023- 2024     | 31-12-24 | 03-04-25       | 93         |

## TDS

### Financial Year 2023-24

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 1.      | 07-05-23 | 17-07-23        | 71         |
| 2.      | 07-06-23 | 17-07-23        | 40         |
| 3.      | 07-07-23 | 19-01-24        | 196        |

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 4.      | 07-08-23 | 19-01-24        | 165        |
| 5.      | 07-09-23 | 19-01-24        | 134        |
| 6.      | 07-10-23 | 19-01-24        | 104        |
| 7.      | 07-11-23 | 19-01-24        | 73         |
| 8.      | 07-12-23 | 19-01-24        | 43         |
| 9.      | 07-01-24 | 12-06-24        | 157        |
| 10.     | 07-02-24 | 22-07-24        | 166        |
| 11.     | 07-03-24 | 22-07-24        | 137        |
| 12.     | 30-04-24 | 22-07-24        | 83         |

#### Financial Year 2023-24

| Sl. No. | Due Date | Date of Payment | Delay Days |
|---------|----------|-----------------|------------|
| 1.      | 07-06-22 | 05-08-22        | 59         |
| 2.      | 07-07-22 | 19-08-22        | 43         |
| 3.      | 07-08-22 | 14-10-22        | 68         |
| 4.      | 07-09-22 | 14-10-22        | 37         |
| 5.      | 07-12-22 | 17-07-23        | 222        |
| 6.      | 30-04-23 | 17-07-23        | 78         |

While our Company has undertaken corrective actions to avoid any such delays in payments in the future, we cannot assure you that no such delays will occur in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations, cash flows and financial condition.

**10. Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.**

Our business operations are subject to various risks and hazards, including failure or substandard performance of equipment, third party liability claims, labour disturbances, employee fraud, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other force majeure events. We maintain insurance policies for our manufacturing unit and operations and our personnel, including the industry all risk policy and vehicle insurance. While the insurance coverage we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

There are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. For details, see “Our Business –Insurance” on page 194 of this Draft Red Herring Prospectus. While we have not experienced substantial uninsured losses during the Fiscals 2025, 2024 and 2023, in the event of a substantial uninsured future loss, our policies may not be sufficient to recover the full current market value or current replacement cost of our assets.

The table below sets forth details of coverage of our insurance policies against the total insurable assets in the years/ period indicated:

| Particulars | Fiscal 2025<br>(Consolidated) |                             | Fiscal 2024<br>(Standalone) |                             | Fiscal 2023<br>(Standalone) |                             |
|-------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|             | Amount<br>(₹ in lakhs)        | Percentage<br>of the assets | Amount<br>(₹ in lakhs)      | Percentage<br>of the assets | Amount<br>(₹ in lakhs)      | Percentage<br>of the assets |
| Coverage of | 12,425                        | 103.42                      | 8,900                       | 144.56                      | 3,250                       | 89.84                       |

|                    |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|
| Insurance Policies |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|

The occurrence of an event for which we are not adequately or sufficiently insured, or changes in our insurance policies (including premium increases or the imposition of deductible or co-insurance requirements), could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows. Further, we cannot assure you that renewal of our insurance policies in the normal course of our business will be granted in a timely manner, at an acceptable cost or at all.

- 11. We derive a significant portion of our revenue from operations from our key customers and our top 10 customers contributed to 99.46%, 98.23% and 99.42%, of our revenue from operations in Fiscals 2025, 2024 and 2022, respectively. Any decrease in revenue from operations from any of our key customers or any loss of these customers may adversely affect our business, financial condition, cash flows and results of operations.**

We derive a significant portion of our revenue from operations from our key customers. Accordingly, our future revenue from operations will be dependent upon the successful continuation of our relationships with these customers or finding customers of similar size and scope.

The table below sets forth details of our revenue from operations generated from top customers in each of the respective periods indicated:

| Particulars        | Fiscal 2025<br>(Consolidated) |                                       | Fiscal 2024<br>(Standalone) |                                       | Fiscal 2023<br>(Standalone) |                                       |
|--------------------|-------------------------------|---------------------------------------|-----------------------------|---------------------------------------|-----------------------------|---------------------------------------|
|                    | Amount<br>(₹ in lakhs)        | % of<br>revenue<br>from<br>operations | Amount<br>(₹ in lakhs)      | % of<br>revenue<br>from<br>operations | Amount<br>(₹ in lakhs)      | % of<br>revenue<br>from<br>operations |
| Top one customer   | 4,932.80                      | 48.66                                 | 4,041.08                    | 44.84                                 | 4,895.21                    | 57.35                                 |
| Top two customer   | 9,106.00                      | 89.83                                 | 7,307.84                    | 81.09                                 | 7,678.34                    | 89.96                                 |
| Top five customers | 9,946.04                      | 94.12                                 | 8,318.11                    | 92.31                                 | 8,400.13                    | 98.42                                 |
| Top ten customers  | 10,081.86                     | 99.46                                 | 8,852.67                    | 98.23                                 | 8,486.10                    | 99.42                                 |

Our largest customer contributes to 48.66% of our revenue from operations with whom we have strong standing relationship. Additionally, except with JK Tyres and Industries Limited, we do not have long term relationship and agreements in place with our reputed customers to supply our products. For details, see risk factor no.15-  
*“Our business is dependent on a limited number of suppliers to procure our raw materials, packing materials, and tools and equipment (our top supplier, top five suppliers and top 10 suppliers contributed to 14.41%, 52.11% and 72.22%, respectively, of total purchases in Fiscal 2025). We have not entered into long-term agreements with these suppliers, and any loss of suppliers or interruptions in the timely delivery of supplies or volatility in their prices could have an adverse impact on our business, financial condition, cash flows and results of operations.”*  
on page 47.

We depend and expect to continue depending on our top 2 (Two) customers for a substantial portion of our revenue from operations. The loss of any of our top 2 (Two) customers for any reason including due to limitation to meet any change in quality specification, change in technology; dispute with customer, better competitive price/service offered by any of our competitors; adverse changes in the market share and financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship decline in their sales, labour strikes or other work stoppages affecting production of these customers could have a material adverse effect on our business, results of operations and financial conditions. Furthermore, there is no assurance that our top 2 (Two) customers will continue to source products from us at volumes or rates consistent with, and commensurate to, the amount of business received from them historically, or at all.



**12. Any delays in the schedule of implementation of the proposed Objects of the Issue could have an adverse impact on our business, financial condition and results of operations.**

We propose to utilize our Net Proceeds for Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Gwalior, Madhya Pradesh), Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Gwalior, Madhya Pradesh), Repayment/ pre-payment in full or in part, of certain outstanding loans availed by our Company and General Corporate Purpose. For further information, see “*Objects of the Issue*” on page 101. Further, the details of our proposed schedule of implementation and deployment of proceeds is as per “*Objects of the Issue - Proposed schedule of implementation and deployment of Net Proceeds*” on page 102. We are subject to risks associated with delays in the schedule of implementation of our proposed objects. These include risks on account of market conditions, delay in procuring and operationalizing assets or necessary licenses and approvals, competition, price fluctuations, interest rate fluctuations and other external factors.

Any variation in the objects of the Issue shall be made in compliance with Sections 13(8) and 27 of the Companies Act, 2013 which requires us to obtain a shareholders’ approval. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business, results of operations and financial condition.

Further, our Promoters would be required to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

**13. The Objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders’ approval.**

We propose to use the Net Proceeds towards Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Gwalior, Madhya Pradesh), Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Gwalior, Madhya Pradesh), Repayment/ pre-payment in full or in part, of certain outstanding loans availed by our Company and General Corporate Purpose, as set forth in “*Objects of the Issue*” on page 101. The utilisation of the Gross Proceeds will be monitored by the Monitoring Agency. Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows. The proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions and historic level of expenditures.

Various risks and uncertainties, including those set forth in this “*Risk Factors*” section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business, including delaying the schedule of implementation of projects for which the Net Proceeds are intended for. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates, for which we may require additional funding that we may not be able to arrange on commercially acceptable terms, or at all. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may

affect our business and the results of operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**14. *A part of the Net Proceeds will be utilized for the repayment or prepayment of indebtedness availed of by our Company. Accordingly, the utilization of the Net Proceeds will not result in creation of any tangible assets.***

Our Company has availed facilities in the ordinary course of business. As of March 31, 2025 our total borrowings amounted to ₹ 9,186.24 lakhs.

We intend to utilize ₹ 2,500.00 lakhs from the Net Proceeds towards the repayment or prepayment of all or a portion of certain borrowings availed by us and the payment of the accrued interest thereon. For further details refer "Object of the Issue" on page 101.

The borrowing to be prepaid or repaid will be selected based on a range of various factors, including (i) any conditions attached to the borrowing restricting our ability to repay or prepay the borrowing and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) receipt of consents for prepayment, (iv) provisions of any laws, rules and regulations governing such borrowings, and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

While voluntary prepayment or scheduled re-payment of a portion of certain outstanding borrowings will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion, the premature redemption will not result in the creation of any tangible assets for our Company. For details regarding the repayment or prepayment of loan, please refer to table disclosed in the chapter titled 'Objects of the Issue' on page 101 of this Draft Red Herring Prospectus.

**15. *Our business is dependent on a limited number of suppliers to procure our raw materials, packing materials, and tools and equipment (our top supplier, top five suppliers and top 10 suppliers contributed to 14.41%, 52.11% and 72.22%, respectively, of total purchases in Fiscal 2025). We have not entered into long-term agreements with these suppliers, and any loss of suppliers or interruptions in the timely delivery of supplies or volatility in their prices could have an adverse impact on our business, financial condition, cash flows and results of operations.***

Our manufacturing processes require supply of various raw materials including natural rubber and synthetic rubbers such as Styrene-Butadiene Rubber or Ethylene Propylene Diene Monomer, which constitute a significant portion of our total purchaser. Set out below are details of our top 1, top 5 and top 10 supplier as a percentage of total purchase for the years indicated:

| Particulars        | Fiscal 2025<br>(Consolidated) |                         | Fiscal 2024<br>(Standalone) |                         | Fiscal 2023<br>(Standalone) |                         |
|--------------------|-------------------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|
|                    | Amount<br>(₹ in lakhs)        | % of total<br>purchases | Amount<br>(₹ in lakhs)      | % of total<br>purchases | Amount<br>(₹ in lakhs)      | % of total<br>purchases |
| Top one Supplier   | 714.46                        | 14.41                   | 2,095.92                    | 37.14                   | 2,053.71                    | 34.12                   |
| Top five suppliers | 2,582.94                      | 52.11                   | 3,523.09                    | 61.76                   | 4,057.06                    | 67.41                   |
| Top ten suppliers  | 3,579.18                      | 72.22                   | 4,426.84                    | 76.34                   | 5,709.88                    | 94.85                   |

We procure these supplies through third-party suppliers on the basis of short-term arrangements typically through purchase orders and do not typically enter into any long-term agreements. In the absence of long-term contracts, our suppliers may not be obligated to supply their products to us and/or may choose to sell their products to our competitors. Our ability to identify and build relationships with reliable suppliers contributes to our growth and successful management of our inventory as well as other aspects of our operations.

Any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule and lead to the under-utilization of our manufacturing facilities. Our operations may also be impacted due to instances such as disputes with suppliers, our inability to make timely payments to the suppliers, changes in governmental or regulatory policies or any other circumstances specific to our suppliers such as acquisition or consolidation of such supplier, or any other adverse market conditions affecting the industry in which our supplier operates or the economic environment generally.

If we were to experience a significant or prolonged shortage of supplies from any of our suppliers and cannot procure those supplies from other sources, we may be unable to meet the production schedules for our products and provide such products to our customers in a timely fashion, which may adversely affect our customer relations and reputation.

Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. We may also be required to replace a supplier if its products or services do not meet our safety, quality or performance standards or if a supplier unexpectedly suspends or discontinues operations due to reasons beyond its or our control, including strikes, natural calamities or financing constraints caused by credit market conditions. While we have not faced any instances of disruption in supplies or increase in their prices that led to any material adverse impact on our business and operations in Fiscals 2023, 2024 and 2025, there can be no assurance that these instances will not occur in the future.

- 16. *We highly depend on our key raw material and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.***

We are highly dependent on certain raw materials like natural rubber, synthetic rubber, carbon black, rubber chemicals, fibre reinforced rubber compound, poly fill and processed oil which form primary component of our manufacturing process. Thus, if we experience significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all.

We depend on a number of domestic suppliers for procurement of raw materials required for manufacturing our products. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any

discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Further, we also cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective raw materials, we may not be in a position to recover any advance payments made or claim compensation from our suppliers consequently increasing the manufacturing costs and/or reducing the realization of our finished products. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition.

**17. *We operate in a competitive business environment and our inability to compete effectively may result in pricing pressures from our customers which may in turn adversely affect our business, results of operations, financial condition and cash flows.***

The industry in which our Company operates is fairly competitive and our results of operations and financial conditions are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, loss of market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

We compete primarily on the basis of [quality of our services, customer satisfaction and marketing. Our competitors may have the ability to spend more aggressively on marketing initiatives and may have more flexibility to respond to changing business and economic conditions than we do.

We also face competition from new entrants who may have more flexibility in responding to changing business and economic conditions. If we are unable to provide our customers with superior products and services at competitive prices or successfully market those services to current and prospective customers, we could lose customers, market share or be compelled to reduce our prices, thereby adversely affecting our business, results of operations and financial condition.

In order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer quality services at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations. For further details, see “*Our Business – Competition*”, on page 194 of this Draft Red Herring Prospectus.

**18. *Our Company has applied for registration of trademark in its name. Until such registration is granted, our Company may not be able to prevent unauthorised use of such trademark by third parties, which may lead to the dilution of our goodwill.***

Our Company has applied for registration of various trademarks under the Trade Marks Act, 1999 which are pending before the Registry of Trademarks. The details of the trademarks along with the status is as under:

| S. No. | Particulars of Mark | Word/ Label Mark | Applicant   | Trademark Application Number | Class | Status of Application |
|--------|---------------------|------------------|-------------|------------------------------|-------|-----------------------|
| 1.     | MAXSTONE            | Word             | The Company | 6877067                      | 12    | Pending               |
| 2.     | MAXSTONE            | Word             | The Company | 6877068                      | 17    | Pending               |
| 3.     | CENTYRE             | Word             | The Company | 6896411                      | 12    | Pending               |

| S. No. | Particulars of Mark | Word/ Label Mark | Applicant   | Trademark Application Number | Class | Status of Application |
|--------|---------------------|------------------|-------------|------------------------------|-------|-----------------------|
| 4.     | EMAREL              | Word             | The Company | 6896410                      | 12    | Pending               |
| 5.     | EMGEE               | Word             | The Company | 6896409                      | 12    | Pending               |
| 6.     | MAXJET              | Word             | The Company | 6896413                      | 12    | Pending               |
| 7.     | MIGE                | Word             | The Company | 6896414                      | 12    | Pending               |
| 8.     | TREADSTONE          | Word             | The Company | 6896412                      | 12    | Pending               |
| 9.     | CENTYRE             | Word             | The Company | 6896441                      | 17    | Pending               |
| 10.    | EMAREL              | Word             | The Company | 6896440                      | 17    | Pending               |
| 11.    | EMGEE               | Word             | The Company | 6896439                      | 17    | Pending               |
| 12.    | MAXJET              | Word             | The Company | 6896443                      | 17    | Pending               |
| 13.    | MIGE                | Word             | The Company | 6896444                      | 17    | Pending               |
| 14.    | TREADSTONE          | Word             | The Company | 6896442                      | 17    | Pending               |

Accordingly, we do not have the statutory protection accorded to a registered trademark. Further, our application for the registration of trademark may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registration due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of our trademark for which we have applied for registration, we may not be able to use such trademark and/or avail the legal protection or prevent unauthorized use of such trademark by third parties, which may adversely affect our goodwill and business.

Further, if we are unable to register our intellectual properties for any reason, including our inability to remove objections to any trademark application, or if any of our unregistered trademarks are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark, and as a result, we may not be able to seek remedies for infringement of those trademarks by third parties, which would cause damage to our business prospects, reputation and goodwill in India and abroad.

As we expand our activities, we are exposed to the risk that other entities may pass off their products as ours by imitating our name, packaging look and attempting to create counterfeit products. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance.

We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition. For details, see “Our Business –Intellectual Property” and “Government and Statutory Approvals” on pages 172 and 303, respectively, of this Draft Red Herring Prospectus.

- 19. We do not own the land on which our Registered Office is located and has been obtained by us on a leave and license basis from Aricia Sourcing Private Limited. If the lease is terminated or not renewed on terms acceptable to us, it could adversely affect our business, results of operations and cash flows.**

Our registered office situated at Unit No. 401, 4<sup>th</sup> Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, New Delhi, Delhi - 110017, India is taken on lease for lease amount of ₹3,73,440/- per month from Aricia Sourcing Private Limited for a period of 5 years commencing from September 01, 2024 to August 31, 2029. Further, the manufacturing facilities of the Company, as listed below, are not owned by the Company:

| Sr. No. | Property                                                                                    | Lessor                                     | Lease Area         | Lease Amount (In Rs.) | Validity                                                        | Purpose             |
|---------|---------------------------------------------------------------------------------------------|--------------------------------------------|--------------------|-----------------------|-----------------------------------------------------------------|---------------------|
| 1.      | Plot no. 78, Malanpur, Bhind, Madhya Pradesh, 477117                                        | Madhya Pradesh Industrial Corporation Ltd. | 1,79,563.55 Sq. Ft | 93,456/- per annum    | 99 years (Commencing from August 28, 1990 till August 27, 2089) | Manufacturing Plant |
| 2.      | Plot No.31 Sidco Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201 | M/S S.S Engineering Works                  | 5,600 Sq. Ft       | 64,200/- per month    | 11 months (Commencing from May 1, 2025 till April 30, 2026)     | Factory             |

There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may adversely affect our operations temporarily. The uncertainty surrounding the renewal process poses a potential threat to our business continuity and operational stability.

- 20. *We have recently ventured into manufacturing of tyres of 2-Wheeler and we may be unable to execute our strategy to expand the business or find suitable market for tyres, which could have a material adverse effect on our business, financial condition and results of operations.***

We have ventured in the business of manufacturing and selling of tyres of 2-Wheeler for which we are under process of setting up a manufacturing facility at Plot no. 78, Industrial Area Malanpur, Gohad, Bhind- 477117, Madhya Pradesh admeasuring total area of 1,79,563 sq. ft. We may face failure to gain the trust of new customers in the tyre industry which could adversely affect our strategy of expanding our business. Our limited experience in the manufacturing of 2-Wheeler tyres in tyre industry could adversely affect this line of business and this could have a material adverse effect on our business, financial condition and results of operations.

- 21. *We intent to diversify in the recycling industry. We may face heavy competition and may face failure to compete effectively which may adversely impact on our business, financial condition, results of operations and cash flows.***

We intend to diversify our operations into recycling of rubber at our proposed manufacturing facility located at Plot No. 80, Industrial Area, Malanpur- 477117, Bhind, Madhya Pradesh. By increasing our focus on the recycling of rubber, we may also face competition from the existing competitors. Further, we may face high competition from the existing competitors with respect to factors such as location, facilities and supporting infrastructure, services and pricing. Additionally, we may not capture the market share, which may have an adverse impact on our business, financial conditions and cash flows. Intensified competition between various players which may result in increased raw material, oversupply of our end product, lower prices, lower sales, all of which may affect our business. Moreover, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition will not have an adverse effect on our profitability.

Further, the new customers may evaluate us, among other things, on manufacturing capabilities, speed, quality, flexibility, and costs. Some of our competitors may have certain advantages, including greater financial resources, recycling or financial capabilities, more advanced technology or research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. In order for us to maintain or increase our market share, we must depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors



affecting the industry, including our ability to improve our recycling process and techniques, respond to pricing strategies of our competitors, and adapt to changes in technology and changes in customer preferences. We cannot assure prospective investors that we will be able to compete effectively against such existing competitors with respect to each of these key competitive factors.

**22. *We have entered into related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with other shareholders.***

We have, in the past, entered into certain transactions with related parties and may continue to do so in the future, including related party transactions entered into during Fiscals 2025, 2024 and 2023 in compliance with the Companies Act, 2013, the relevant accounting standards and other applicable statutory requirements. These transactions principally include Directors' remuneration and Loan given/received from related parties, amongst others. For further details, see "Restated Financial Information – Note 37 – Related party disclosures" on page 263.

All such related party transactions that we have entered into have been conducted at arm's length with approvals from the Audit Committee, the Board and/or our shareholders, as applicable, and in accordance with the applicable laws. However, we cannot assure you that these arrangements or any future related party transactions that we may enter into, individually or in the aggregate, will always be in the best interests of the minority shareholders of the Company and/or will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. The transactions we have entered into and any future transactions with our related parties may have involved or could potentially involve conflicts of interest which may be detrimental to our Company and there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. After the completion of the Issue, all related-party transactions that our Company may enter into will be subject to Audit Committee, Board or shareholders' approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations. We cannot assure you that such approvals will be received in a timely manner or at all. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that our Company could not have undertaken such transactions on more favourable terms with any unrelated parties or that any dispute that may arise between us and related parties will be resolved in our favour.

**23. *We are highly dependent on our Promoters, our Key Managerial Personnel and our Senior Management. Our inability to attract and retain or recruit skilled and qualified personnel, including our Promoters, Key Managerial Personnel and Senior Management and any inability on our part to do so, could adversely affect our business, results of operations and financial condition.***

Our business and the implementation of our strategy is highly dependent upon our Promoters, Key Managerial Personnel and Senior Management, who oversee our day-to-day operations, strategy and growth of our business. We benefit from the industry experience, vision and guidance of our Promoters who are also the Directors on our Board and have experience in the industry we operate in. Additionally, our Promoter and Managing Director, Mohit Gupta brings expertise in understanding the dynamics of the tyre industry. Moreover, our Key Managerial Personnel, members of our Senior Management and qualified functional heads includes technically qualified and experienced professionals who complement our Board of Directors in day-to-day operations of our business. The experience and leadership of our Promoters, Directors, Key Managerial Personnel and members of Senior Management has played a key factor in our growth and development. If one or more members of our Key Managerial Personnel and Senior Management are unable or unwilling to continue in their present positions, such persons could be difficult to replace in a timely and cost-effective manner. There can be no assurance that we will be able to retain these personnel.

The following table sets forth the attrition rate for our Promoters, Directors, KMPs and permanent employees for the Fiscals / period indicated:

| Particulars | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------|-------------|-------------|-------------|
| Promoters   | 0.00%       | 0.00%       | 0.00%       |
| Directors   | 0.00%       | 0.00%       | 0.00%       |

| Particulars                               | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------------------------------|-------------|-------------|-------------|
| KMPs                                      | 0.00%       | 0.00%       | 0.00%       |
| Attrition rate of our permanent employees | 0.00%       | 5.30%       | 0.00%       |

Any loss or interruption in the services of our Key Managerial Personnel or members of Senior Management could significantly affect our ability to effectively manage our operations and to meet our strategic objectives. The loss of the services of any key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

**24. *We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, results of operations, cash flows and financial condition.***

As on March 31, 2025, our total outstanding borrowings were ₹ 9186.24 lakhs. For further details, see “*Financial Indebtedness*” on page 289 of this Draft Red Herring Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely payment by our clients. If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Any re-financing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations.

We have received consents from the relevant lenders for the purpose of the Issue. However, we cannot assure you that such consents will be granted in the future or at all. While there have been no such instances in the three preceding Fiscals, our failure to meet our obligations under our financing agreements could have an adverse effect on our business, results of operations and financial condition. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our business operations. Our future borrowings may also contain similar restrictive provisions.

**25. *We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.***

Our contingent liabilities for as of March 31, 2025, March 31, 2024 and March 31, 2023 are as follows:

| (₹ in lakhs) |                        |                               |                             |                             |
|--------------|------------------------|-------------------------------|-----------------------------|-----------------------------|
| Sr. No.      | Particulars            | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
| 1.           | Contingent Liabilities | 127.96                        | 22.24                       | 22.24                       |

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialize, our financial condition and results of operation may be adversely affected. For further details on our contingent liabilities, see “*Summary of the Issue Document*” and “*Restated Financial Statements*” on pages 20 and 238 of this Draft Red Herring Prospectus, respectively.

**26. *Our Promoters and Directors have extended personal guarantees with respect to loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.***

Certain of our Promoters and Directors have given a personal guarantee for our borrowings, in relation to certain borrowings availed by our Company, details of which are provided below:



(₹ in lakhs)

| Sr. No.      | Name of the lender  | Name of the Promoter / Promoter Group / Director                                                | Name of the facility              | Sanctioned amount |
|--------------|---------------------|-------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|
| 1.           | State Bank of India | 1. Mohit Gupta<br>2. Manju Gupta<br>3. Radhika Gupta<br>4. Qualimax Electronics Private Limited | Cash credit and Project term Loan | 7,800.00          |
| 2.           | Yes Bank Limited    | 1. Mohit Gupta<br>2. Manju Gupta<br>3. Radhika Gupta                                            | Overdraft facility                | 3.60              |
| <b>Total</b> |                     |                                                                                                 |                                   | <b>7,803.60</b>   |

For details, please refer to the chapter titled “*Financial Indebtedness*” on page 289 of this Draft Red Herring Prospectus.

In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details, please refer to the chapter titled “*Financial Indebtedness*” on page 289 of this Draft Red Herring Prospectus.

**27. Our Company and Subsidiary have availed unsecured loans which may be recalled at any time.**

As of Fiscal 2025, our Company has availed unsecured facilities aggregating to ₹ 503.38 lakhs and our Subsidiaries, M G Industries Limited have availed unsecured facilities aggregating to ₹ 508.86 lakhs. Our unsecured loans (including unsecured loans availed by our Subsidiaries), including working capital loans can typically be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay the loans advanced to us in a timely manner or at all. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, it may adversely affect our financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 289 of this Draft Red Herring Prospectus.

**28. Our Promoters and members of the Promoter Group will continue to exercise significant influence and control over our Company after completion of the Issue.**

As of the date of this Draft Red Herring Prospectus, our Promoters and members of the Promoter Group aggregately hold 90.09% of our issued, subscribed and paid-up Equity Share capital. After the completion of the Issue, our Promoters and members of the Promoter Group will continue to control our Company and exercise significant influence over our business policies and affairs and all matters requiring shareholders’ approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sale of substantial or all of our assets, and the policies for dividends, lending, investments and capital expenditures through their shareholding after the Issue. Such concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of such controlling shareholders. In accordance with applicable laws and regulations, our Promoters and members of the Promoter Group will have the ability to exercise, directly or indirectly, a significant influence over our business which could conflict with our interests or the interests of the other shareholders. We cannot assure you that our Promoters and members of the Promoter Group will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. Accordingly, the interests of our Promoters and members of the Promoter Group in their capacity as our shareholders may conflict with your interests and the interests of our other shareholders.

**29. *We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our business, financial conditions, cash flows and results of operations.***

We are subject to credit risk through our trade receivables and other receivables due from our customers. By their nature, trade receivables involve risks, including the credit risk of non-performance by counterparties and significant delays in receiving payments or non-receipt of payments and delay or non-performance of obligations arising from contract assets (unbilled contracts), which may adversely affect our cash flows and results of operations. The failure of any of our customers to make timely payments could require us to write off trade receivable or increase provisions made against our trade receivable.

The table below sets forth our trade receivables for the periods indicated:

| (₹ in lakhs)      |                               |                             |                             |
|-------------------|-------------------------------|-----------------------------|-----------------------------|
| Particulars       | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
| Trade receivables | 2,961.32                      | 1669.20                     | 1583.72                     |

For details of our expected credit losses, see “*Restated Financial Statement*” beginning on page 238 of this Draft Red Herring Prospectus.

We cannot assure you that we will receive outstanding amounts due to us in a timely manner, in part or at all. We may not be able to accurately assess the creditworthiness of all of our clients. They may also face limited access to the credit markets, insolvency or financial constraints triggered by macroeconomic conditions, which could cause them to delay payments, request modifications to their payment terms, or default on their payment obligations, all of which could increase our trade receivables and/or bad debts. Further, some of our clients may delay payments due to changes in internal payment procedures driven by rules and regulations to which they are subject. Any substantial default or delay of a customer’s payment obligations may materially and adversely affect our working capital, financial condition and results of operations.

**30. *Any defects or deficiencies in our products may cause us to incur additional expenses and warranty costs, damage our reputation and cause our sales to decline.***

Our products may contain defects and deficiencies that remain undetected until after they have been shipped to and/or inspected by our customers. We are subject to strict quality requirements from regulatory authorities as well as our customers. Any failure to comply with these quality requirements could result in liability claims and related legal proceedings, together with cancellation of our existing and future product orders. While we have implemented quality control processes for our raw materials and finished products on the basis of internal and international quality standards, we and our suppliers may not meet the regulatory quality standards, or the high-quality standards imposed by our customers and applicable to our manufacturing processes, which could have a material adverse effect on our business, financial condition, cash flows and results of operations. In the event our products do not comply with the specification provided by our customers, our products may be rejected and we may also be required to reimburse such customers for any losses suffered as a result of our non-compliance. This may also reduce customer confidence in our products and strain our relationships with these customers, who may refuse our services and choose to engage our competitors. Moreover, in the event that any of our products do not meet regulatory standards or are defective (including due to reasons of failure of our quality control procedures, negligence or human error), we may be responsible for damages relating to any defective products, and may be required to replace, recall or redesign such products or incur significant costs to defend any such claims. While we have not faced any instances of cancellation of existing and future orders or liability claims on account of product defects or failure by us or our suppliers to comply with quality standards that led to any adverse effect on our business or operations in Fiscals 2023, 2024 and 2025, there can be no assurance that we will not be subject to such product liability, related legal proceedings or loss of business in the future.

Further, we may also be exposed to risk of product damage such as deformation due to excessive heat, carton damage during rainfall or improper handling by logistics suppliers, any of which may lead to rejection of products by our customers and in turn adversely affect our reputation, business, financial condition, cash flows and results

of operations. While we have not faced any instances of damage during delivery of products to our customers that led to any material adverse effect on our business or operations in Fiscals 2023, 2024 and 2025, there can be no assurance that such instances will not occur in the future.

**31. *The loss of accreditation for our manufacturing units and operations could damage our reputation, business, results of operations and cash flows.***

Our quality certifications and accreditations are essential for securing sales to our customers. We are accredited, and hold ISO 9001:2015 certification, as well as our compliance with the requirements of Quality Management System guidelines.

If we fail to meet accreditation criteria or if certifying agency determine that we are not in compliance with required standards, our accreditations may be revoked or we may be denied certification. To maintain our accreditations, we must consistently uphold the quality of our products and manufacturing processes. The loss of any of our accreditation or certification could adversely affect our reputation and business prospects.

**32. *Certain of our Promoters, Directors, Key Managerial Personnel and members of Senior Management may have interests in us other than reimbursement of expenses incurred and normal remuneration benefits.***

Certain of our Promoters, Directors, Key Managerial Personnel and members of Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration, commission or benefits. Certain Directors and Promoters may be deemed to be interested to the extent of Equity Shares, as applicable, held by them and by members of our Promoter Group, to the extent applicable, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Certain of our promoters and directors are interested in the promotion of our Company. Further, our Promoters, Directors, Key Managerial Personnel and members of Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. Furthermore, some of our Promoters may be interested to the extent of unsecured loans given by certain Promoters to our Company. There can be no assurance that our Promoters and Directors will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see “*Capital Structure*”, “*Our Promoters and Promoter Group*”, “*Our Management –Interest of Directors*” and “*Restated Financial Statement*” on pages 87, 228, 213 and 238, respectively, of this Draft Red Herring Prospectus.

**33. *We cannot assure payment of dividends on the Equity Shares in the future and our ability to pay dividends in the future may depend upon our future revenues, profits, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements and we may not be able to pay dividends in the future.***

Our Company has not declared and paid any dividend on the Equity Shares in the three Fiscals preceding the date of this Draft Red Herring Prospectus and the period from April 01, 2025, until the date of this Draft Red Herring Prospectus. Our Board has adopted a dividend distribution policy at their meeting held on June 16, 2025 in accordance with SEBI Listing Regulations. For further information, see “*Dividend Policy*” on page 237 of this Draft Red Herring Prospectus. Any declarations of dividends will be at the discretion of our Board and subject to our shareholders’ approval. Our Company’s ability to pay dividends in the future and the amount of any such dividends, if declared, will depend on a number of factors, including but not limited to our Company’s profits, past dividend pattern/trend, operating cash flow of the Company, debt obligation of the Company, and other factors considered relevant by our Board. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to applicable laws and regulations including taxation laws, economic conditions, prevalent market practices, and technological changes. Furthermore, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may be unable to pay dividends in the near or medium term, and our future dividend policy may depend on our capital requirements and financing arrangements. Furthermore, dividends distributed by us may attract dividend distribution tax at rates applicable from time to time. We cannot assure you that our Company will declare and pay, or have the ability to declare and pay, any dividends on Equity Shares at any point in the future.

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

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices in a cost-effective and timely basis. Technology upgradation is essential to reduce costs and increase the output. Our technology and machinery may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs in upgrading our technology may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology may make newer equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

- 35. *Our past growth rates may not be indicative of our future growth, and if we are unable to manage our growth or any business diversification initiatives, adapt to evolving customer demands and market trends, and execute our strategies effectively, our business, financial condition, cash flows and prospects may be adversely affected.***

Our business has grown significantly over the years, with a CAGR of 8.98% from the Fiscal 2023 to Fiscal 2025, for revenue from operations. The following table sets forth our revenue from operations, as well as the period-over-period growth, for the periods indicated.

(₹ in lakhs, except percentages)

| Particulars                                           | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
|-------------------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Revenue from operations                               | 10,137.01                     | 9,011.86                    | 8,535.75                    |
| Period-over- period growth in revenue from operations | 12.49                         | 5.58%                       | 7.96%                       |

Our past growth rates may not be indicative of our future growth. We seek to diversify and grow our offerings and customer base by pursuing new business opportunities. However, we may not be able to properly assess the risks, economic viability and prospects of such opportunities and cannot assure you of any revenue from or profitability of such business opportunities.

We expect that growing our business will require us to continuously improve our operational, financial and internal controls. Our growth may place significant strain on our personnel, management, financial systems and operational infrastructure and may impede our ability to meet any increased demand for our services. We may face increased challenges in maintaining high levels of customer satisfaction; adhering to execution standards and key performance indicators specified by our customers; expanding our products and solutions to address emerging technological trends; preserving a uniform culture, values, and work environment across our operations; standardizing services; maintaining effective oversight of personnel; coordinating effectively across geographies; and developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems. Furthermore, we will need to maintain and expand our relationships with our current and future customers and other third parties, and there is no guarantee that we will succeed. We may also not be successful in adapting our business in geographies to which we may expand. Our ability to continue to grow consistently will depend on several factors beyond our control, including the level of competition for opportunities for inorganic growth and our ability to successfully manage our organic growth. An inability to manage our growth may materially and adversely affect our ability to capitalize on new business opportunities, place us at a competitive disadvantage and limit our growth, which may in turn have an adverse effect on our business prospects, future financial performance and results of operations.

**36. *We are exposed to losses due to fraud, employee negligence, theft or similar incidents, which may have an adverse impact on our business, financial condition, cash flows and results of operations.***

We usually closely monitor our employees and executives for any misconduct, including acts of theft and fraud and hiding unauthorised or unlawful activities from us. However, the occurrence of any such event may result in substantial losses, damage to our reputation and loss of business from our customers. Our dependence on our workforce to carry out various functions in our manufacturing processes and delivery services also subjects us to risks associated with the improper handling of goods at our facilities. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm including harm to our brand. It is not always possible to prevent employee or executive misconduct, and the measures implemented to deter and detect such activities may not be effective in every instance. Any instances of such misconduct could adversely affect our reputation. While we have not faced any instances of losses due to fraud, employee negligence or theft in Fiscals 2025, 2024 and 2023, there can be no assurance that these instances will not occur in the future.

**37. *Our inability to identify customer demand accurately and maintain an optimal level of inventory could adversely affect our business, financial condition, cash flows and results of operations.***

Our success depends on [accurately identifying customer demand, maintaining optimal inventory levels, and responding to evolving market trends and customer preferences. Failure to forecast demand with precision or manage inventory efficiently could result in adverse effects on our business operations, financial condition, cash flows, and overall results. Overestimating demand may lead to excess inventory, increased storage costs, potential obsolescence, and markdowns, thereby reducing profit margins. Conversely, underestimating demand may cause inventory shortages, missed sales opportunities, and customer dissatisfaction, potentially damaging our reputation and market position. These challenges are compounded by external factors such as fluctuations in customer purchasing behaviour, market trends, economic conditions, and supply chain disruptions, which may lead to production delays or increased costs, further hindering our ability to fulfil demand effectively.

We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations and financial condition.

**38. *Our industry is labour intensive and we may be subject to strikes, work stoppages or increased labour costs, which could adversely affect our business and results of operations.***

The success of our operations depends on the availability of labour and our ability to maintain a good relationship with our workforce. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. The industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our success also depends on our ability to attract, hire, train and retain skilled workers who are experienced. For details, see “Our Business – Human Resource” on page 194 of this Draft Red Herring Prospectus. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees/workers could have an adverse effect on our business and results of operations. We have not experienced any strikes, work stoppages, labour unrest in the past three Fiscals years, nor we have experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past.. However, there can be no assurance that we will not experience any disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. We are also subject to a number of stringent labour laws that protect the interests of workers. Any labour unrest including labour disputes, strikes, lockouts or industrial accidents experienced by us or delays in resolving such labour unrest, could directly or indirectly prevent or hinder our normal operating activities. Any



such prolonged disruptions to our business could materially and adversely affect our results of operations and financial condition.

**39. *An inability to establish and maintain effective internal controls could lead to an adverse effect on our business, results of operations, cash flows and financial condition.***

Our management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by it while taking into account the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

While our management would be responsible for design, implementation and maintenance of adequate internal financial controls to ensure the orderly and efficient conduct of our business, any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, each of which may have an adverse effect on our business, financial condition, results of operations and cash flows. Notwithstanding that the auditors' report issued on the internal financial controls over financial reporting of our Company for Fiscals 2025, 2024 and 2023 did not contain a qualified opinion or disclaimer of opinion, there can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls.

Notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, clients or suppliers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

**40. *Our information technology systems form an integral part of our business. Any significant disruptions of our information technology systems or breaches of data security could adversely affect our business, financial condition, cash flows and results of operations.***

We are dependent on our information technology systems to undertake our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition, cash flows and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our customers and other proprietary information could be compromised. While we have implemented a data security, backup and disaster recovery plan which aims to establish management direction, procedures, and requirements to protect our information systems data, there is no assurance that these measures will be effective. The integrity and protection of our customer, employee and company data is critical to our business. Our customers expect that we will adequately protect their personal information. A theft, loss, fraudulent or unlawful use of customer, employee or company data could harm our reputation or result in remedial and other costs, liabilities, fines or lawsuits. While we have not faced any instances of significant information technology systems disruptions or data security breaches in Fiscals 2025, 2024 and 2023, there can be no assurance that such instances will not occur in the future.

**41. *Non-compliance with and changes in safety, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial conditions.***

We are subject to environmental, health and safety, and labour laws. Environmental laws and regulations impose controls on air and water discharge, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Our operations generate pollutants and waste, and we are subject to various laws and government regulations, including in relation to safety, environmental protection and labour. Improper handling of these materials could result in accidents, injure our personnel, property and improper disposal could damage the environment. While there have been no such instances in three preceding Fiscals, the occurrence of any such event in the future could have an adverse effect on our business, results of operations, cash flows and financial condition. The scope and extent of any new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and financial condition.

Further, amendments to labour laws could adversely affect our business, operating costs and margins. In the event we are unable to comply with labour laws and regulations in an effective manner, we may be subject to regulatory action from a regulatory body or court which may have an adverse effect on our business, results of operations and financial condition. In the event such situation occurs, we may get involved in litigations or other proceedings, or be held liable in any litigation or proceedings, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our business operations, any of which could adversely affect our business and results of operations. Further, even though we comply with the laws and obtain all necessary approvals as required under the statutes there can be no assurance that we may continue to hold such permits, licenses or approvals. Any cancellation or non-renewal of our approvals may cause an interruption of our operations and may adversely affect our business, results of operations, cash flows and financial condition.

**42. *We have used information from the Infomerics Analytics & Research Report which we commissioned from Infomerics Analytics & Research Private Limited for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.***

We have used the report titled “Industry Report on Rubber (Tyre) Industry” dated April 23, 2025 (“**Infomerics Analytics & Research Report**”) prepared by Infomerics Analytics & Research Private Limited, an independent third-party agency appointed by us pursuant to letter dated February 28, 2025, for purposes of inclusion of such information in this Draft Red Herring Prospectus, and exclusively commissioned by our Company in connection with the Issue at an agreed fee to be paid by our Company. We have no direct or indirect association with Infomerics Analytics & Research Private Limited other than as a consequence of such an engagement. The Infomerics Analytics & Research Report is available on the website of our Company at [www.matangirubber.com](http://www.matangirubber.com). The Infomerics Analytics & Research Report is a paid report and is subject to various limitations and based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting. Although we believe that the data and contents of the Infomerics Analytics & Research Report may be considered to be reliable, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

Further, the Infomerics Analytics & Research Report or any other industry data or sources are not recommendations to invest in our Company. No part of the Infomerics Analytics & Research Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the Infomerics Analytics & Research Report before making any investment decision regarding the Issue. Further, you are also advised not to place undue reliance on the Infomerics Analytics & Research Report or extracts thereof as included in this Draft Red Herring Prospectus, when making your investment decision.



Further, you are also advised not to place undue reliance on the Infomerics Analytics & Research Report or extracts thereof as included in this Draft Red Herring Prospectus, when making your investment decision. In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from under-taking any investment in the Issue pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the Infomerics Analytics & Research Report. For the disclaimer associated with the Infomerics Analytics & Research Report, see, “*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation –Industry and Market Data*” on page 16.

### **External Risk Factors**

- 43. *Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects, results of operations and cash flows. Further, failure to comply with the existing laws and regulations applicable to our business could subject our Company to enforcement actions and penalties and otherwise harm our business.***

In India, our business is governed by various laws and regulations including, amongst others, the Indian Stamp Act, 1899, the Indian Registration Act, 1908, and various laws relating to environment, employment and tax. For details, see “*Key Regulations and Policies in India*” on page 197 of this Draft Red Herring Prospectus. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become more stringent in the future. If environmental clearances are not obtained in a timely manner or at all, the project may not be in compliance with environmental laws and regulations and/or may be delayed and our overall operating expenses may increase, adversely affecting our business and results of operations. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to inspection, enforcement actions and penalties imposed by authorities.

Our business could be adversely affected by any change in laws particularly changes in environment and industrial regulations, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, results of operations and cash flows in addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations and cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**44. *Our business is substantially affected by prevailing economic, political and other conditions.***

We are incorporated in India and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation,
- any exchange rate fluctuations,
- any downgrade in the foreign countries sovereign risk or balance of payment crisis or economic crisis,
- inadequate cover or non-availability of export cover for covering export risks to foreign countries,
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions,
- prevailing income conditions among Indian consumers and Indian corporates,
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges,
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters,
- prevailing regional or global economic conditions, including in India's principal export markets,
- any downgrading of India's debt rating by a domestic or international rating agency,
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

To date, we have not experienced any material interruptions in our supply chain, manufacturing facilities and distribution network in connection with these conflicts. However, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect the economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins. Any of the above-mentioned factors could affect our business, financial condition, cash flows and results of operations.

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

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations ("Combination Regulations") require acquisitions of shares, voting rights, assets or control or

mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

The Government of India has also passed the Competition (Amendment) Act, 2023 on April 11, 2023, which has made several amendments to the Competition Act. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of control" and enhanced penalties for providing false information or a failure to provide material information. Such amendment to the Competition Act will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

**46. *Any adverse development, slowdown in Indian economy, political or any other factors beyond our control may have an adverse impact on our business, results of operations, cash flows and financial condition.***

We are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy, as well as the economies of the regional markets in which we operate. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of our Equity Shares.

Further, economic developments globally can have a significant impact on India. For instance, the confluence of pandemic-induced shutdowns, compounded by supply chain intricacies and the Russia-Ukraine conflict, has resulted in significant disruptions in energy and food markets, sparking a substantial inflationary surge and exacerbating a cost-of-living crisis. In case we are not able to react to adverse economic developments, sector-specific conditions and cyclical trends in a flexible and appropriate way, business, financial condition, cash flows and results of operations could be adversely affected. Trade barriers and the recent imposition of tariffs by the US can also impact the overall economy and the sentiments in the markets leading to unpredictable outcomes which can have a serious impact on our performance and our results of operation.

**47. *Slowdown in sectors that we operate in, and any adverse changes in the conditions affecting these markets can adversely impact our business, results of operations, financial condition and cash flows.***

Since the primary uses of our products is mainly in commercial vehicles like trucks, buses, and heavy utility vehicles, our business is dependent to a significant extent on the performance and growth of the sectors where we are present, particularly the tyre and rubber sector. Any change in regulation in such sectors could materially and adversely affects demands for our products. Further, external factors such as natural disasters, pandemics, wars and unrest such as the war ensuing between Ukraine and Russia, can cause a slowdown in the sectors that we operate in and disable us from taking on or completing our projects in such sectors. In the event of a downturn in or any of the other key sectors in which we are present, demand for their products may decline and to that extent, our business, financial condition, results of operations and cash flows could be adversely affected.

**48. *Terrorist attacks, communal disturbances, civil unrest and other acts of violence or was involving India and other countries in which we have operations may adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares trade and also adversely affect markets in which we have operations, as well as the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares.

Some states in India have also witnessed civil unrest including communal disturbances in recent years and it is possible that future civil unrest, as well as other adverse social, economic and political events in India may have a negative impact on us. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on our business and the price of our Equity Shares.

**49. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms on which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

**50. *If the rate of Indian price inflation increases, our business and results of operations may be adversely affected***

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. An increase in inflation in India could cause a rise in the price of raw materials and wages, or any other expenses that we incur. If this trend continues, we may be unable to accurately estimate or control our costs of production or pass on increase in costs to our customers and this could have a material adverse effect on our business and results of operations.

**51. *Investors may not be able to enforce judgments obtained in foreign courts against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong.

In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the “**Civil Code**”). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgment.

**52. *Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.***

Our Restated Financial Information for Fiscals 2025, 2024 and 2021 included in this Draft Red Herring Prospectus are prepared and presented in conformity with Ind GAAP (including compliance to the Companies Act, 2013, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder and restated under the SEBI

ICDR Regulations), consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to US GAAP or IFRS or any other principles or to base it on any other standard. Ind GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including US GAAP or IFRS. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on your familiarity with Ind GAAP, Insurance Act, IRDA Act, the Companies Act, 2013 and the regulations framed thereunder. Any reliance by persons not familiar with Ind GAAP, or these laws and regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

**53. *Anti-takeover provisions under Indian law could prevent or deter a third-party entity from acquiring us.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change of control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to our Shareholders. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors / shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI Takeover Regulations.

**54. *The Issue Price, market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Our market capitalization to the multiple of total income for Fiscal 2025 is [●] times and our price to earnings ratio (based on our restated profit for the year for Fiscal 2025) calculated at the upper end of the price band is [●]. Our Issue Price, the multiples and ratios specified above may not be comparable to the market price, market capitalization and price-to-earnings ratios of our peers. Accordingly, any valuation exercise undertaken for the purposes of the Issue by our Company in consultation with the BRLM, would not be based on a benchmark with our industry peers. The relevant financial parameters on the basis of which Price Band will be determined, have been disclosed under “Basis for Issue Price” on page 116 of this Draft Red Herring Prospectus and shall be disclosed in the price band advertisement.

***Risks in relation to the Equity Shares***

**55. *Financial instability in Indian financial markets or instability in financial markets in the countries in which we operate could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in the emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have a material adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including continued volatility in global financial markets due to the economic slowdown in China and the increase in the federal interest rates by the United States Federal Reserve, could also have a negative impact on the Indian financial markets and economy.

**56. *The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price.***

The average cost of acquisition of Equity Shares by the Promoters may be less than the Issue Price. The details of the average cost of acquisition of Equity Shares held by the Promoters are set out below:

| Promoter                                     | Number of Equity Shares of face value of ₹10/- each | Acquisition price per Equity Share (in ₹) |
|----------------------------------------------|-----------------------------------------------------|-------------------------------------------|
| Radhika Gupta                                | 49,30,500                                           | 2.95                                      |
| Mohit Gupta                                  | 16,02,144                                           | 67.55                                     |
| Manju Gupta                                  | 13,72,500                                           | 32.57                                     |
| Vandana Rubber and Chemicals Private Limited | 13,63,593                                           | 53.33                                     |

For further details regarding the weighted average cost of acquisition of Equity Shares by the Promoter and build-up of Equity Shares of the Promoter in our Company, see “*Summary of Issue Document - Average cost of acquisition of shares for our Promoters*” and “*Capital Structure - Build-up of Promoters’ shareholding in our Company*” on pages 20 and 87, respectively.

**57. *Our Company has issued Equity Shares during the preceding one year at a price that may be below the Issue Price.***

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Issue Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see “*Capital Structure*” on page 87.

**58. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt-financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares.

**59. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

**60. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchange may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be



indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter.

The market price of the Equity Shares may be subject to fluctuations in response to, among other factors, variations in operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**61. *Investors may be subject to Indian taxes arising out of income arising from distribution of dividend and sale of the Equity Shares.***

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹1,25,000, realised on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax (“STT”). Further, any gain realised on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

**62. *Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.***

Under the exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the Reserve Bank of India. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the approval of the Reserve Bank of India will be required for such transaction to be valid.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the Reserve Bank of India or any other governmental agency can be obtained on any particular terms or at all. For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 384 of this Draft Red Herring Prospectus.



**63. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until closure of the Issue.

While we are required to complete Allotment pursuant to the Issue within two Working Days from the Bid/Issue Closing Date or such other period as may be prescribed, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the offer or cause the trading price of the Equity Shares to decline on listing.

Therefore, QIBs and Non-Institutional Bidders would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

**64. *Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.***

Subject to requisite approvals, on listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

**65. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid / Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within three Working Days of the Bid/Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see "Issue Procedure" on page 348 of this Draft Red Herring Prospectus.

## SECTION III – INTRODUCTION

### THE ISSUE

|                                                                                                                                                                                                        |                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity Shares Issued <sup>(1)</sup>                                                                                                                                                                    | Up to 37,09,600 Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs                                                                                                               |
| <b>Of Which</b>                                                                                                                                                                                        |                                                                                                                                                                                                    |
| <i>Issue Reserved for the Market Makers</i>                                                                                                                                                            | Up to [●] Equity shares of face value of ₹ 10.00/- each fully paid up for cash at price of ₹ [●] per Equity share (including a share premium of ₹ [●] per Equity share) aggregating to ₹ [●] lakhs |
| <b>Of Which</b>                                                                                                                                                                                        |                                                                                                                                                                                                    |
| <b>A. QIB Portion<sup>(2)</sup></b>                                                                                                                                                                    | Not more than [●] Equity Shares of face value of ₹10 each                                                                                                                                          |
| <i>Of which:</i>                                                                                                                                                                                       |                                                                                                                                                                                                    |
| Anchor Investor Portion                                                                                                                                                                                | Up to [●] Equity Shares of face value of ₹10 each                                                                                                                                                  |
| Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)                                                                                                                             | Up to [●] Equity Shares of face value of ₹10 each                                                                                                                                                  |
| <i>Of which:</i>                                                                                                                                                                                       |                                                                                                                                                                                                    |
| Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))                                                                                              | At least [●] Equity Shares of face value of ₹10 each                                                                                                                                               |
| Balance of QIB Portion for all QIBs including Mutual Funds                                                                                                                                             | [●] Equity Shares of face value of ₹10 each                                                                                                                                                        |
| <b>B. Non-Institutional Investor<sup>(3)(4)</sup></b>                                                                                                                                                  | Not less than [●] Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] lakhs                  |
| <i>Of Which:</i>                                                                                                                                                                                       |                                                                                                                                                                                                    |
| One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than two bid lots and up to such bid lots of equivalents to not more than ₹ 10,00,000. | [●] Equity Shares of face value of ₹ 10/- each                                                                                                                                                     |
| Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10,00,000                                                                       | [●] Equity Shares of face value of ₹ 10/- each                                                                                                                                                     |
| <b>C. Individual Investor<sup>(3)(4)</sup></b>                                                                                                                                                         | Not less than [●] Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] lakhs                  |
| <b>Pre and Post-Issue Equity Shares</b>                                                                                                                                                                |                                                                                                                                                                                                    |
| Equity Shares outstanding prior to the Issue                                                                                                                                                           | 1,02,88,827 Equity Shares of face value of ₹10 each                                                                                                                                                |
| Equity Shares outstanding after the Issue                                                                                                                                                              | 1,39,98,427 Equity Shares of face value of ₹10 each                                                                                                                                                |
|                                                                                                                                                                                                        |                                                                                                                                                                                                    |
| <b>Utilization of Net Proceeds</b>                                                                                                                                                                     | See “Objects of the Issue” beginning on page 101 for information about the use of the Net Proceeds.                                                                                                |

<sup>(1)</sup> The Present Issue in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated June 16, 2025 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 held on June 18, 2025.

<sup>(2)</sup> Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Issue. 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. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For further details, see “Issue Procedure” on page 348.*

*Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. Under subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*

- (3) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than two bid lots and up to such lots of equivalents to not more than ₹ 10.00 Lakhs, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10.00 Lakhs, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For further details, see “Issue Procedure” on page 348.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 Lakhs shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00 Lakhs and up to ₹5.00Lakhs using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

- (4) Allocation to Bidders in all categories, except Anchor Investors, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than two bid lots and up to such lots of equivalents to not more than ₹ 10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 10.00 Lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*

*For further details, including in relation to grounds for rejection of Bids, refer to “Issue Structure “and “Issue Procedure” on pages 345 and 348, respectively. For further details of the terms of the Issue, see “Terms of the Issue” on page 336*

## **SUMMARY OF FINANCIAL STATEMENTS**

The summary of financial statement presented below should be read in conjunction with the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Condition and Results of Operations” on Page 238 and 272 respectively.

*(Remainder of this page has been left intentionally blank)*

## Restated Statement of Assets and Liabilities

(All amount in ₹ lakhs, unless otherwise stated)

| Sr. No     | Particulars                                                                               | Consolidated     | Standalone       | Standalone      |
|------------|-------------------------------------------------------------------------------------------|------------------|------------------|-----------------|
|            |                                                                                           | Fiscal 2025      | Fiscal 2024      | Fiscal 2023     |
| <b>I</b>   | <b>EQUITY AND LIABILITIES</b>                                                             |                  |                  |                 |
|            | Shareholders' funds                                                                       |                  |                  |                 |
|            | Share capital                                                                             | 342.96           | 272.03           | 219.60          |
|            | Reserves and surplus                                                                      | 8,909.97         | 4,345.88         | 3,083.29        |
|            | <b>Total Net Worth</b>                                                                    | <b>9,252.93</b>  | <b>4,617.91</b>  | <b>3,302.89</b> |
|            | Minority Interest                                                                         | 29.75            | -                | -               |
| <b>(1)</b> | <b>Non-Current liabilities</b>                                                            |                  |                  |                 |
|            | Long-term borrowings                                                                      | 2,375.54         | 4,067.89         | 1,398.56        |
|            | Long-term provisions                                                                      | 55.16            | 19.66            | 12.19           |
|            | Deferred tax liability (net)                                                              | -                | -                | -               |
|            | Other non-current liabilities                                                             | 290.75           | -                | -               |
|            | <b>Total Non-Current liabilities</b>                                                      | <b>2,721.45</b>  | <b>4,087.55</b>  | <b>1,410.75</b> |
| <b>(2)</b> | <b>Current Liabilities</b>                                                                |                  |                  |                 |
|            | Trade payables                                                                            |                  |                  |                 |
|            | a. total outstanding dues of micro enterprises and small enterprises                      | -                | -                | -               |
|            | b. total outstanding dues of creditors other than micro enterprises and small enterprises | 1,285.85         | 1,452.84         | 1,098.54        |
|            | Short-term borrowings                                                                     | 6,810.70         | 2,225.87         | 1,647.86        |
|            | Short-term provisions                                                                     | 399.53           | 141.03           | 86.49           |
|            | Other current liabilities                                                                 | 606.31           | 217.70           | 157.04          |
|            | <b>Total Current Liabilities</b>                                                          | <b>9,102.39</b>  | <b>4,037.44</b>  | <b>2,989.93</b> |
|            | <b>TOTAL EQUITY AND LIABILITIES</b>                                                       | <b>21,106.52</b> | <b>12,742.90</b> | <b>7,703.57</b> |
| <b>II</b>  | <b>ASSETS</b>                                                                             |                  |                  |                 |
| <b>(A)</b> | <b>Non-Current Assets</b>                                                                 |                  |                  |                 |
|            | Property, plant and equipment's                                                           | 2,832.86         | 2,059.03         | 995.23          |
|            | Intangible assets                                                                         | -                | -                | -               |
|            | Goodwill                                                                                  | 1,059.13         | -                | -               |
|            | Capital work-in-progress                                                                  | 6,272.06         | 2,295.20         | 670.62          |
|            | Deferred tax assets (net)                                                                 | 29.94            | 25.74            | 30.63           |
|            | Investments                                                                               | 171.46           | 184.57           | 204.72          |
|            | Long-term loans and advances                                                              | 634.88           | 63.10            | 43.91           |
|            | Other non-current assets                                                                  | 172.00           | -                | -               |
|            | <b>Total Non-Current Assets</b>                                                           | <b>11,172.33</b> | <b>4,627.64</b>  | <b>1,945.11</b> |
| <b>(B)</b> | <b>Current Assets</b>                                                                     |                  |                  |                 |
|            | Investments                                                                               | 14.71            | -                | -               |
|            | Short-term loans and advances                                                             | 3,171.15         | 3,712.89         | 1,776.57        |
|            | Inventories                                                                               | 3,472.62         | 2,359.12         | 2,328.11        |
|            | Trade receivables                                                                         | 2,961.32         | 1,669.20         | 1,583.72        |
|            | Cash and bank balances                                                                    | 267.87           | 35.63            | 61.22           |
|            | Other current assets                                                                      | -                | -                | -               |
|            | Other Current Assets                                                                      | 46.52            | 338.42           | 8.84            |
|            | <b>Total Current Assets</b>                                                               | <b>9,934.19</b>  | <b>8,115.26</b>  | <b>5,758.46</b> |
|            | <b>TOTAL ASSETS</b>                                                                       | <b>21,106.52</b> | <b>12,742.90</b> | <b>7,703.57</b> |

# Restated Summary Statement of Profit and Loss

(All amount in ₹ lakhs, unless otherwise stated)

| Sr. No      | Particulars                                               | Consolidated     | Standalone      | Standalone      |
|-------------|-----------------------------------------------------------|------------------|-----------------|-----------------|
|             |                                                           | Fiscal 2025      | Fiscal 2024     | Fiscal 2023     |
| <b>I</b>    | Revenue from operations                                   | 10,137.01        | 9,011.86        | 8,535.75        |
| <b>II</b>   | Other income                                              | 338.74           | 114.65          | 109.33          |
| <b>III</b>  | <b>Total Income (I+II)</b>                                | <b>10,475.75</b> | <b>9,126.51</b> | <b>8,645.08</b> |
|             | <b>Expenses</b>                                           |                  |                 |                 |
|             | Cost of materials consumed                                | 4,429.22         | 5,679.09        | 5,866.68        |
|             | Purchase of stock in trade                                | 47.76            | 230.63          | -               |
|             | Changes in inventories of finished goods                  | (550.96)         | (141.94)        | (348.00)        |
|             | Direct expenses                                           | 1,494.55         | 868.30          | 853.29          |
|             | Employee benefits expense                                 | 717.05           | 692.49          | 735.29          |
|             | Finance costs                                             | 369.26           | 302.04          | 294.37          |
|             | Depreciation and Amortization Expense                     | 306.03           | 165.47          | 166.12          |
|             | Other expenses                                            | 1,145.37         | 668.31          | 630.33          |
| <b>IV</b>   | <b>Total Expenses (IV)</b>                                | <b>7,958.28</b>  | <b>8,464.39</b> | <b>8,198.08</b> |
| <b>V</b>    | <b>Profit Before Extraordinary Items and Tax (III-IV)</b> | <b>2,517.47</b>  | <b>662.12</b>   | <b>447.00</b>   |
| <b>VI</b>   | Extraordinary items                                       | -                | -               | 11.04           |
| <b>VII</b>  | <b>Profit Before Tax (V+VI)</b>                           | <b>2,517.47</b>  | <b>662.12</b>   | <b>458.04</b>   |
|             | Tax expense                                               |                  |                 |                 |
|             | Current tax                                               | 623.36           | 181.20          | 147.57          |
|             | Deferred tax (income)/expense                             | (3.80)           | 4.89            | (12.32)         |
|             | Mat credit entitlement                                    | -                | -               | 2.37            |
| <b>VIII</b> | <b>Net Tax Expense (VII)</b>                              | <b>619.56</b>    | <b>186.09</b>   | <b>137.62</b>   |
| <b>IX</b>   | <b>Profit for the Year (VII-VIII)</b>                     | <b>1,897.91</b>  | <b>476.03</b>   | <b>320.42</b>   |
|             | <b>Attributable to:</b>                                   |                  |                 |                 |
|             | - Shareholders of the company                             | 1,866.72         | 476.03          | 320.42          |
|             | - Minority interest                                       | 31.19            | -               | -               |
| <b>X</b>    | <b>Earnings Per Equity Share (EPS)</b>                    |                  |                 |                 |
|             | Basic EPS                                                 | 61.42            | 17.70           | 15.83           |
|             | Diluted EPS                                               | 61.42            | 17.70           | 15.83           |

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## Restated Cash Flow Statement

(All amount in ₹ lakhs, unless otherwise stated)

| Sr. No   | Particulars                                                                  | Consolidated      | Standalone        | Standalone      |
|----------|------------------------------------------------------------------------------|-------------------|-------------------|-----------------|
|          |                                                                              | Fiscal 2025       | Fiscal 2024       | Fiscal 2023     |
| <b>A</b> | <b>Cash flow from Operating Activities</b>                                   |                   |                   |                 |
|          | Profit before extraordinary items and tax                                    | 2,517.47          | 662.12            | 447.00          |
|          | Adjustments for:                                                             |                   |                   |                 |
|          | Depreciation / amortization                                                  | 306.03            | 165.47            | 166.12          |
|          | (Gain)/Loss on sale of property, plant and equipment & investments           | (142.88)          | (0.32)            | -               |
|          | Interest expenses and other financing cost                                   | 369.26            | 302.04            | 294.37          |
|          | Interest income                                                              | (82.51)           | (111.13)          | (109.33)        |
|          | Government grant income                                                      | (6.64)            | -                 | -               |
|          | Liabilities and provisions no longer required, written back                  | (46.24)           | (0.57)            | -               |
|          | Non-operating expenses                                                       | 0.23              | 4.77              | -               |
|          |                                                                              |                   |                   |                 |
|          | <b>Operating profit / (loss) before working capital changes</b>              | <b>2,914.72</b>   | <b>1,022.38</b>   | <b>798.16</b>   |
|          | Movements in working capital :                                               |                   |                   |                 |
|          | (Decrease)/Increase in trade payables                                        | (322.96)          | 354.30            | 489.17          |
|          | (Decrease)/Increase in provisions                                            | 15.95             | 8.42              | 1.52            |
|          | (Decrease)/Increase in other non-current liabilities                         | (37.50)           | -                 | -               |
|          | (Decrease)/Increase in other current liabilities                             | 130.21            | 61.23             | 53.21           |
|          | Decrease/(Increase) in trade receivables                                     | (87.83)           | (85.48)           | 87.55           |
|          | Decrease/(Increase) in inventories                                           | (1,035.58)        | (31.01)           | (501.06)        |
|          | Decrease/(Increase) in other current assets                                  | 326.91            | (329.58)          | (4.27)          |
|          | Decrease/(Increase) in long term loans and advances                          | (90.95)           | (19.19)           | 210.00          |
|          | Decrease/(Increase) in short term loans and advances                         | 634.88            | (1,936.32)        | (326.39)        |
|          | <b>Cash generated from operations</b>                                        | <b>2,447.85</b>   | <b>(955.25)</b>   | <b>807.89</b>   |
|          | Prior Period Adjustment                                                      |                   | -                 | -               |
|          | Direct taxes paid (net of refunds)                                           | (386.88)          | (127.61)          | (62.57)         |
|          | <b>Cash generated from operations before extraordinary items</b>             | <b>2,060.97</b>   | <b>(1,082.86)</b> | <b>745.32</b>   |
|          | Extraordinary Items                                                          | -                 | -                 | 11.04           |
|          | <b>Net Cash Flow Generated from / (used in) Operating Activities</b>         | <b>2,060.97</b>   | <b>(1,082.86)</b> | <b>756.36</b>   |
|          |                                                                              |                   |                   |                 |
| <b>B</b> | <b>Cash Flows from Investing Activities</b>                                  |                   |                   |                 |
|          | Purchase of property, plant & equipment's including capital work in progress | (4,262.63)        | (3,701.83)        | (761.68)        |
|          | Decrease of property, plant & equipment's including capital work in progress | 357.91            | 847.98            | -               |
|          | Decrease/(Increase) in investments                                           | (1,382.30)        | 20.15             | (38.70)         |
|          | Gain/(Loss) on sale of property, plant and equipment & investments           | 142.88            | 0.32              | -               |
|          | Government grant received related to acquisition of fixed assets             | 34.40             | -                 | -               |
|          | Non-operating expenses                                                       | (0.23)            | (4.77)            | -               |
|          | Other bank balances*                                                         | (6.40)            | -                 | -               |
|          | Interest received                                                            | 82.51             | 111.13            | 109.33          |
|          | <b>Net Cash Flow Generated from / (used in) Investing Activities</b>         | <b>(5,033.86)</b> | <b>(2,727.02)</b> | <b>(691.05)</b> |
|          |                                                                              |                   |                   |                 |
| <b>C</b> | <b>Cash Flows from Financing Activities</b>                                  |                   |                   |                 |



| Sr.<br>No | Particulars                                                          | Consolidated    | Standalone      | Standalone     |
|-----------|----------------------------------------------------------------------|-----------------|-----------------|----------------|
|           |                                                                      | Fiscal 2025     | Fiscal 2024     | Fiscal 2023    |
|           | Proceeds from issue of equity shares(including share premium)        | 2,049.30        | 838.99          | 313.55         |
|           | (Decrease)/Increase in long term borrowings                          | (2,576.17)      | 2,669.33        | 61.28          |
|           | (Decrease)/Increase in short term borrowings                         | 4,063.97        | 578.01          | (99.35)        |
|           | Interest paid                                                        | (363.67)        | (302.04)        | (294.37)       |
|           | <b>Net Cash Flow Generated from / (used in) Financing Activities</b> | <b>3,173.43</b> | <b>3,784.29</b> | <b>(18.89)</b> |
|           |                                                                      |                 |                 |                |
| <b>D</b>  | <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>  | <b>200.54</b>   | <b>(25.59)</b>  | <b>46.42</b>   |
| <b>E</b>  | Cash and Cash Equivalents at the Beginning of the Year               | 60.93           | 61.22           | 14.80          |
| <b>F</b>  | <b>Cash and Cash Equivalents at the End of the Year (D+E)</b>        | <b>261.47</b>   | <b>35.63</b>    | <b>61.22</b>   |
|           |                                                                      |                 |                 |                |
|           | <b>Component of Cash and cash Equivalents:</b>                       |                 |                 |                |
|           | Cash on hand                                                         | 39.47           | 35.63           | 61.22          |
|           | Cheque in Hand                                                       | 187.88          | -               | -              |
|           | With banks                                                           | 34.12           | -               | -              |
|           | <b>Cash and cash Equivalents at the End of the Year</b>              | <b>261.47</b>   | <b>35.63</b>    | <b>61.22</b>   |

*[The remainder of this page has intentionally been left blank]*

## GENERAL INFORMATION

Our Company was originally formed as a Private Limited Company in the name and style of “Matangi Rubber Private Limited” under the provisions of the Companies Act, 1956 on June 23, 2004 vide Certificate of Incorporation issued by Registrar of Companies, Delhi & Haryana, bearing CIN: U74999DL2004PTC127108. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on November 04, 2024 and the name was changed to “Matangi Rubber Limited” pursuant to a fresh Certificate of Incorporation dated November 26, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN: U74999DL2004PLC127108.

For further details, please refer to chapter titled ‘History and Certain Other Corporate Matters’ beginning on Page 206 of this Draft Red Herring Prospectus.

### Registered Office of our Company

#### Matangi Rubber Limited

Unit No. 401, 4th Floor, Southern Park,  
Saket District Center, Saket (South Delhi),  
South Delhi -110017

**Tel. No.:** +91 11 42709020

**E-mail:** cs@matangirubber.com

**Website:** www.matangirubber.com

**Registration Number:** 127108

**Corporate Identification Number:** U74999DL2004PLC127108

### Registrar of Companies

#### The Registrar of Companies, Delhi

Registrar of Companies, 4<sup>th</sup> Floor,  
IFCI Tower, 61, Nehru Place,  
New Delhi-110019

### Designated Stock Exchange

#### BSE Limited (“BSE SME”)

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001  
**Website:** www.bseindia.com

### Board of Directors of our Company

| Sr. No. | Name                | Designation             | DIN      | Address                                                                     |
|---------|---------------------|-------------------------|----------|-----------------------------------------------------------------------------|
| 1)      | Mohit Gupta         | Managing Director       | 00103720 | 83, Anand Lok, Sadiq Nagar, South Delhi-110049                              |
| 2)      | Radhika Gupta       | Joint Managing Director | 00284631 |                                                                             |
| 3)      | Manju Gupta         | Executive Director      | 00124974 |                                                                             |
| 4)      | Sanjeev Bhatia      | Independent Director    | 10819388 | 169, Vaishali, Pitampura, North West Delhi-110088                           |
| 5)      | Ajit Kumar Upadhyay | Independent Director    | 11103211 | Viallage Chaubepur, Pira Ghat, Kaimur (Bhabua) - -802132, Bihar             |
| 6)      | Sunil Kumar Singh   | Independent Director    | 11119400 | A 578, Panchsheel Nagar, Ajmer, Regional College, Ajmer - 305004, Rajasthan |

For further details of our directors, please refer to the chapter titled “Our Management” beginning on page 213 of this Draft Red Herring Prospectus.

## **Company Secretary & Compliance Officer**

**Vijay Kumar Sharma**

**Matangi Rubber Limited**

Unit No. 401, 4th Floor, Southern Park,  
Saket District Center, Saket (South Delhi),  
South Delhi - 110017

**Tel. No.:** +91 11 42709020

**E-mail:** cs@matangirubber.com

## **Chief Financial Officer**

**Sunil Kumar Gupta**

**Matangi Rubber Limited**

Unit No. 401, 4th Floor, Southern Park,  
Saket District Center, Saket (South Delhi),  
South Delhi - 110017

**Tel. No.:** +91 11 42709020

**E-mail:** sunil.gupta@matangirubber.com

## **Investor Grievances**

**Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Book Running Lead Manager in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode etc.**

All issue related grievances, other than those of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of bid cum Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with the copy to the Registrar to the Issue.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the post Issue lead manager is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

**Key Intermediaries to the Issue:**

|                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Book Running Lead Manager to the Issue</b>                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Sarathi Capital Advisors Private Limited</b><br>401, 4 <sup>th</sup> Floor, Manek Plaza, 167,<br>Vidyanagari Marg, Kalina, Santacruz (E),<br>Mumbai-400098<br><b>Tel:</b> +91 22 26528671/72<br><b>Contact Person:</b> Pankaj Chaurasia<br><b>Email:</b> ipo@sarthiwm.in<br><b>Website:</b> www.sarathi.in<br><b>SEBI Registration No.:</b> INM000012011                                                                      |
| <b>Legal Advisor to the Issue</b>                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Kanga and Co.</b><br>Ready money Mansion, 43,<br>Veer Nariman Road,<br>Fort, Mumbai-400 001.<br><b>Tel.:</b> (+91 22) 66230000, 66332288<br><b>Email:</b> chetan.thakkar@kangacompany.com<br><b>Website:</b> www.kangacompany.com                                                                                                                                                                                             |
| <b>Registrar to the Issue</b>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Bigshare Services Private Limited</b><br>Office No S6-2, 6th Floor, Pinnacle Business Park,<br>Next to Ahura Centre, Mahakali Caves Road, Andheri<br>(East), Mumbai – 400093.<br><b>Tel.:</b> +91 22 6263 8200<br><b>Fax.:</b> +91 22 6263 8299<br><b>Contact Person:</b> Mr. Babu Rapheal C.<br><b>Email:</b> ipo@bigshareonline.com<br><b>Website:</b> www.bigshareonline.com<br><b>SEBI Registration No.:</b> INR000001385 |
| <b>Banker to the Company</b>                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>State Bank of India</b><br>Small and Medium Enterprises Branch,<br>NEPZ SEZ Complex, Phase- II,<br>Noida - 201305<br><b>Tel. No.:</b> +91 7982852663<br><b>Contact Person:</b> Abhishek Chauhan<br><b>Email id:</b> abhishek.chauhan25@sbi.co.in                                                                                                                                                                              |
| <b>Statutory and Peered Review Auditor</b>                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Ashwani &amp; Associates</b><br>Chartered Accountants<br>103, Pratap Bhawan, Bahadur Shah Zafar Marg,<br>ITO, New Delhi - 110002<br><b>Tel. No.:</b> 011-23324672<br><b>Email:</b> info@ashwaniassociates.in<br><b>Contact Person:</b> Sanjeeva Narayan<br><b>Firm Registration No.:</b> 000497N<br><b>Membership No.:</b> 084205<br><b>Peer Review No.:</b> 014860                                                           |
| <b>Banker To the Issue/ Public Issue Bank/Sponsor Bank/Refund Bank</b>                                                                                                                                                                                                                                                                                                                                                           |
| [●]*                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <i>*will be finalized prior to the filing of the Red Herring Prospectus</i>                                                                                                                                                                                                                                                                                                                                                      |
| <b>Monitoring Agency</b>                                                                                                                                                                                                                                                                                                                                                                                                         |
| [●]*                                                                                                                                                                                                                                                                                                                                                                                                                             |

## **SELF CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and updated from time to time. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path:

Home » Intermediaries/Market Infrastructure Institutions » Recognised intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

Application made using incorrect UPI handle or using a bank account of a SCSBs or bank which is not mentioned in the aforesaid list is liable to be rejected.

## **Credit Rating**

This being an Issue of Equity shares, the appointment of credit rating agency is not required.

## **IPO Grading**

Our Company has not obtained any IPO grading for this Issue from any credit rating agency.

## **Appraisal and Monitoring Agency**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, If the issue size, exceeds 50 crore rupees, the issuer shall make arrangements for the use of proceeds of the issue to be monitored by a credit rating agency registered with the Board.

Our Company has appointed [●] as the Monitoring Agency to monitor the utilization of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations.

For detailed information in relation to the utilization of the gross proceeds, please refer chapter “Object of the issue 101.

## **Inter-se allocation of Responsibilities**

Since Sarthi Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not applicable.

## **Expert Opinion**

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

Our Company has received written consent dated July 31, 2025 from Statutory and Peer Review Auditor namely, M/s. Ashwani & Associates, Chartered Accountants (FRN: 000497N) holding a valid peer review certificate from the ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations,

in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (a) examination report dated July 28, 2025, on the Restated Financial Information, (b) report dated July 31, 2025 on the statement of possible special tax benefits available to our Company and its Shareholders, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated July 11, 2025, from the Independent Chartered Engineer, namely Anand Kumar Jain (Membership Number: AM098135-7), to include their name in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated April 30, 2025, certifying the production capacity and extent of utilization of the manufacturing facility of our Company located at Selaqui included under “Our Business” beginning on page 172 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated July 10, 2025, from the Independent Chartered Engineer, namely S Rangnathan (Membership Number: M- 1553148), to include their name in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated April 30, 2025, certifying the production capacity and extent of utilization of the manufacturing facility of our Company located at Gummidipoondi included under “Our Business” beginning on page 172 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated July 09, 2025, from the Independent Chartered Engineer, namely Mr. S.K. Paterya (Membership Number: AM 077787-3; Registration Number: FIV no. 12590), to include their name in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and as an “Expert” for the Company as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a chartered engineer, in relation to their certificate dated June 01, 2025 respectively certifying the production capacity and extent of utilization of the manufacturing facility of our Company located at Bhind included under “Our Business” beginning on page 172 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Debenture Trustee**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Filing of Issue Document**

The Draft Red Herring Prospectus is being filed with SME Platform of BSE Limited (“BSE SME”) situated at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed with RoC through the electronic portal at <http://www.mca.gov.in>.

### **Underwriter**

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Initial Public Offer shall be underwritten for hundred per cent of the Issue and shall not be restricted up to the minimum subscription level and as per sub regulation (2) the Book Running Lead Manager shall underwrite at least fifteen percent of the Issue size on their own account.

Our Company and BRLM to the Issue hereby confirm that the Issue will be 100.00% Underwritten. The Company in consultation with the BRLM will appoint the Underwriter (s) for the Issue and the same details shall be updated in the Red Herring Prospectus.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company and the Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter | No. of shares underwritten | Amount Underwritten (₹ In Lakhs) | % of Total Issue Size Underwritten |
|----------------------------|----------------------------|----------------------------------|------------------------------------|
| [●]                        | [●]                        | [●]                              | [●]                                |

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

### Changes in Auditors During the last three Financial Years

Except as disclosed below, there has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus:

| Particulars                                                                                                                                                                                  | Period of appointment            | Date of Change     | Reason for change                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------|--------------------------------------------------------------------|
| <b>Ashwani &amp; Associates</b><br>FRN: 000497N<br>Peer Review No.: 014860<br>Email ID: info@ashwaniassociates.in<br>Address: 103, Pratap Bhawan, Bahadur Shah Zafar Marg, New Delhi -110002 | April 01, 2024 to March 31, 2029 | September 30, 2024 | Appointment as the Peer Reviewed Statutory Auditors of our Company |
| <b>Kanhaiyalal &amp; Co.</b><br>FRN: 021191N<br>Email ID: caklall@gmail.com<br>Address: 1/50, 2 <sup>nd</sup> floor, Ganga Apartment, Near Gurdwara, Lalita Park, Laxmi Nagar, Delhi -110092 | April 01, 2019 to March 30, 2024 | September 30, 2024 | Expiry of term as Statutory Auditor of our Company.                |

### Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager and will be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] (Hindi being regional language of Delhi where registered office is situated) at least two working days prior to the Bid /Issue Opening date. The Issue Price shall be finalized after the Bid/ Issue Closing Date.

Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Sarthi Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE or NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank



The SEBI (ICDR) Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI (ICDR) Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out 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 Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs.

All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 348 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 348 of this Draft Red Herring Prospectus.

### Illustration of the Book Building and Price Discovery Process:

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 348 of this Draft Red Herring Prospectus.

### Bid/Issue Program

| Event                                                                                                 | Indicative Date |
|-------------------------------------------------------------------------------------------------------|-----------------|
| Bid/ Issue Opening Date                                                                               | on or about [●] |
| Bid/ Issue Closing Date                                                                               | on or about [●] |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                 | on or about [●] |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account | on or about [●] |
| Credit of Equity Shares to Demat Accounts of Allottees                                                | on or about [●] |
| Commencement of Trading of The Equity Shares on the Stock Exchange                                    | on or about [●] |

*The above timetable is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on BSE Limited (BSE SME) is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.*

Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being Issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date may be extended in consultation with the BRLM, RTA and BSE Limited taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **Withdrawal of the Issue**

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the Pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Offered through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

### **Details of the Market Making Arrangement**

Our Company and the Book Running Lead Manager will enter into a tripartite agreement dated with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

**Name:** [●]

**Address:** [●]

**Tel:** [●]

**E-mail:** [●]

**Contact Person:** [●]

**SEBI Registration No.:** [●]

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE SME to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

[●], registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the SME Platform of BSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE Limited (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the BSE Limited from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
10. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

13. **Risk containment measures and monitoring for Market Makers:** SME platform of BSE will have all margins, which are applicable on BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. Stock Exchange can impose any other margins as deemed necessary from time-to-time.
14. **Punitive Action in case of default by Market Makers:** BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
15. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

| Issue Size       | Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size) | Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size) |
|------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| Up to ₹20 Crore  | 25%                                                                                           | 24%                                                                                              |
| ₹20 to ₹50 Crore | 20%                                                                                           | 19%                                                                                              |
| ₹50 to ₹80 Crore | 15%                                                                                           | 14%                                                                                              |
| Above ₹80 Crore  | 12%                                                                                           | 11%                                                                                              |

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 crores, the applicable price bands for the first day shall be:

In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

| Sr. No. | Market Price Slab (in ₹) | Proposed Spread (in % to sale price) |
|---------|--------------------------|--------------------------------------|
| 1.      | Up to 50                 | 9                                    |
| 2.      | 50 to 75                 | 8                                    |
| 3.      | 75 to 100                | 6                                    |
| 4.      | Above 100                | 5                                    |

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

## CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

| Sr. No.  | Particulars                                                                                                                                                                                 | Aggregate Value |             |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------|
|          |                                                                                                                                                                                             | Face Value      | Issue Price |
| <b>A</b> | <b>Authorised Share Capital <sup>(1)</sup></b>                                                                                                                                              |                 |             |
|          | 2,00,00,000 Equity Shares of Face value of ₹10 each                                                                                                                                         | 2,000           | -           |
|          |                                                                                                                                                                                             |                 |             |
| <b>B</b> | <b>Issued, Subscribed and Paid-Up Share Capital before the Issue (as on the Date of this Draft Red Herring Prospectus)</b>                                                                  |                 |             |
|          | 1,02,88,827 fully paid-up Equity Shares of Face Value of ₹10 each                                                                                                                           | 1,028.88        | -           |
|          |                                                                                                                                                                                             |                 |             |
| <b>C</b> | <b>Present Issue in terms of this Draft Red Herring Prospectus*<sup>(2)</sup></b>                                                                                                           |                 |             |
|          | Issue of upto 37,09,600 Equity Shares of face value ₹10 each aggregating to ₹[●]                                                                                                            | 370.96          | [●]         |
|          | <b>The Issue Includes</b>                                                                                                                                                                   |                 |             |
|          | Market Maker Reservation Portion of up to [●] Equity Shares of face value of ₹10/- each <sup>(3)</sup>                                                                                      | [●]             | [●]         |
|          | Net Issue to Public of up to [●] Equity Shares of face value of ₹10/- each                                                                                                                  | [●]             | [●]         |
|          | <b>Of which:</b>                                                                                                                                                                            |                 |             |
|          | At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Individual Investors                                                                           | [●]             | [●]         |
|          | At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Non- Institutional Investors                                                                   | [●]             | [●]         |
| <b>D</b> | Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds | [●]             | [●]         |
|          | <b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>                                                                                                                         |                 |             |
|          | Up to 1,39,98,427 Equity Shares of Face Value of ₹10 each                                                                                                                                   | 1,399.84        | [●]         |
| <b>E</b> | <b>Securities Premium Account</b>                                                                                                                                                           |                 |             |
|          | Before the Issue                                                                                                                                                                            |                 | 3,091.96    |
|          | After the Issue                                                                                                                                                                             |                 | [●]         |

\*Assuming full subscription of this Issue

<sup>(1)</sup> For details of the changes in the authorized share capital of our Company since incorporation, see “History and Certain Corporate Matters”” Amendments to our Memorandum of Association since inception” on page 206.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated June 16,2025 and by Special Resolution passed under 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of our shareholders held on June 18,2025.

<sup>(3)</sup> Our Company in consultation with the Book Running Lead Manager, shall allocate at least 5.00% of the Issue to the designated Market Maker under the Market Maker Reservation Portion as per the Regulation 261(4) of SEBI ICDR Regulation.

### Class of Shares

As on date, our Company has only one class of Share Capital i.e. Equity Shares of face value of ₹10 each only. All equity shares are fully paid-up.

Further, our Company has no outstanding convertible instrument as on the date of this Draft Red Herring Prospectus.

## Changes in the authorized share capital of our Company

For details of the changes to the authorized share capital of our Company, see “History and Certain Corporate Matters” “Amendments to our Memorandum of Association” on page 206

### Notes on Capital Structure

#### a) Notes to the Capital Structure

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

| Date of Allotment of the Equity shares | No. of Equity Shares Allotted | Face Value (₹) | Issue Price (₹) | Nature of Allotment                                     | Nature of Consideration | Cumulative No. of Shares | Cumulative Paid-up Capital (₹) | Share Premium (₹) | Cumulative Share Premium (₹ in lakhs) |
|----------------------------------------|-------------------------------|----------------|-----------------|---------------------------------------------------------|-------------------------|--------------------------|--------------------------------|-------------------|---------------------------------------|
| (On Incorporation) June 23, 2004       | 10,000                        | 10             | 10              | Subscription to MOA <sup>(1)</sup>                      | Cash                    | 10,000                   | 1,00,000                       | -                 | -                                     |
| February 03, 2006                      | 3,40,000                      | 10             | 10              | Further Issue <sup>(2)</sup>                            | Cash                    | 3,50,000                 | 35,00,000                      | -                 | -                                     |
| June 17, 2008                          | 11,50,000                     | 10             | 10              | Further Issue <sup>(3)</sup>                            | Cash                    | 15,00,000                | 1,50,00,000                    | -                 | -                                     |
| February 25, 2011                      | 5,00,000                      | 10             | 10              | Further Issue <sup>(4)</sup>                            | Cash                    | 20,00,000                | 2,00,00,000                    | -                 | -                                     |
| February 14, 2023                      | 1,95,967                      | 10             | 160             | Conversion of unsecured loan into Equity <sup>(5)</sup> | Other than Cash         | 21,95,967                | 2,19,59,670                    | 150               | 2,93.95                               |
| April 24, 2023                         | 5,24,376                      | 10             | 160             | Conversion of unsecured loan into Equity <sup>(6)</sup> | Other than Cash         | 27,20,343                | 2,72,03,430                    | 150               | 1,080.51                              |
| April 17, 2024                         | 1,42,500                      | 10             | 160             | Right Issue <sup>(7)</sup>                              | Cash                    | 28,62,843                | 2,86,28,430                    | 150               | 1,294.26                              |
| June 03, 2024                          | 75,188                        | 10             | 160             | Right Issue <sup>(8)</sup>                              | Cash                    | 29,38,031                | 2,93,80,310                    | 150               | 1,407.05                              |
| December 29, 2024                      | 1,51,578                      | 10             | 475             | Private Placement (Share Swap) <sup>(9)</sup>           | Other than Cash         | 30,89,609                | 3,08,96,090                    | 465               | 2,111.88                              |
| December 31, 2024                      | 3,40,000                      | 10             | 500             | Private Placement <sup>(10)</sup>                       | Cash                    | 34,29,609                | 3,42,96,090                    | 490               | 3,777.88                              |
| July 28, 2025                          | 68,59,218                     | 10             | -               | Bonus Issue <sup>(11)</sup>                             | Other than Cash         | 1,02,88,827              | 10,28,88,270                   | -                 | 3,091.96                              |

Note: All the above-mentioned shares are fully paid up since the date of allotment

(1) Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of ₹10 fully paid up as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Manju Gupta    | 5,000                  |
| 2.           | Radhika Gupta  | 5,000                  |
| <b>Total</b> |                | <b>10,000</b>          |

(2) Allotment of 3,40,000 Equity Shares of face value of ₹10 as per the details given below\*:

| Sr. No. | Name of Person                | No. of Shares Allotted |
|---------|-------------------------------|------------------------|
| 1.      | MG Industries Private Limited | 1,35,000               |
| 2.      | Radhika Gupta                 | 80,000                 |
| 3.      | Mohit Gupta                   | 75,000                 |



| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 4.           | Manju Gupta    | 50,000                 |
| <b>Total</b> |                | <b>3,40,000</b>        |

\* form- filings for allotment of equity shares made by our Company could not be traced as the relevant information was not available in the records maintained by our Company, or the Ministry of Corporate Affairs or with the RoC. Accordingly, we have relied on the search report dated May 28, 2025, prepared by Abhishek Gupta and Associates, Independent Practicing Company Secretary, and certified by their certificate dated May 28, 2025.

(3) Allotment of 11,50,000 Equity Shares of face value of ₹10 as per the details given below:

| Sr. No.      | Name of Person    | No. of Shares Allotted |
|--------------|-------------------|------------------------|
| 1.           | Manju Gupta       | 5,06,500               |
| 2.           | Late Pradip Gupta | 3,42,000               |
| 3.           | Mohit Gupta       | 1,66,500               |
| 4.           | Radhika Gupta     | 1,35,000               |
| <b>Total</b> |                   | <b>11,50,000</b>       |

(4) Allotment of 5,00,000 Equity Shares of face value of ₹10 as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Manju Gupta    | 5,00,000               |
| <b>Total</b> |                | <b>5,00,000</b>        |

(5) Allotment of 1,95,967 Equity Shares of face value of ₹10 and premium of ₹150 for consideration other than cash pursuant to Conversion of unsecured Loan into Equity shares as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Manju Gupta    | 1,25,000               |
| 2.           | Mohit Gupta    | 70,967                 |
| <b>Total</b> |                | <b>1,95,967</b>        |

(6) Allotment of 5,24,376 Equity Shares of face value of ₹10 and premium of ₹150 for consideration other than cash pursuant to Conversion of unsecured Loan into Equity as per the details given below:

| Sr. No.      | Name of Person                                | No. of Shares Allotted |
|--------------|-----------------------------------------------|------------------------|
| 1.           | Vandana Rubbers and Chemicals Private Limited | 4,54,531               |
| 2.           | Mohit Gupta                                   | 69,845                 |
| <b>Total</b> |                                               | <b>5,24,376</b>        |

(7) Allotment of 1,42,500 Equity Share of face value of ₹10 and premium of ₹150 on Right Issue basis as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Manju Gupta    | 1,42,500               |
| <b>Total</b> |                | <b>1,42,500</b>        |

- (8) Allotment of 75,188 Equity Shares of face value of ₹10 and premium of ₹150 on Rights Issue basis as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Mohit Gupta    | 75,188                 |
| <b>Total</b> |                | <b>75,188</b>          |

- (9) Allotment of 1,51,578 Equity Shares of face value of ₹10 and premium of ₹465 on Private Placement basis (Share Swap) as per the details given below:

| Sr. No.      | Name of Person | No. of Shares Allotted |
|--------------|----------------|------------------------|
| 1.           | Mohit Gupta    | 1,51,578               |
| <b>Total</b> |                | <b>1,51,578</b>        |

- (10) Allotment of 3,40,000 Equity Shares of face value of ₹10 and premium of ₹490 on Private Placement basis as per the details given below:

| Sr. No.      | Name of Person                                     | No. of Shares Allotted |
|--------------|----------------------------------------------------|------------------------|
| 1.           | Capri Global Holdings Private Limited              | 1,30,000               |
| 2.           | Emerging Securities Private Limited                | 55,000                 |
| 3.           | Yuvraj Chanakya Singh                              | 40,000                 |
| 4.           | Raghuvanshi Investment Private Limited             | 40,000                 |
| 5.           | Value Prolific Consulting Services Private Limited | 30,000                 |
| 6.           | Kiran Dalmia                                       | 20,000                 |
| 7.           | Anju Khanna                                        | 10,000                 |
| 8.           | Priyanka Khanna                                    | 10,000                 |
| 9.           | Pratyush Handa                                     | 5,000                  |
| <b>Total</b> |                                                    | <b>3,40,000</b>        |

- (11) Allotment of 68,59,218 Equity Shares of face value of ₹10 each at a ratio 2:1 as bonus issue as per the details given below:

| Sr. No.      | Name of Person                                   | No. of Shares Allotted |
|--------------|--------------------------------------------------|------------------------|
| 1.           | Radhika Gupta                                    | 32,87,000              |
| 2.           | Mohit Gupta                                      | 10,68,096              |
| 3.           | Manju Gupta                                      | 9,15,000               |
| 4.           | Vandana Rubber and Chemicals Private Limited     | 9,09,062               |
| 5.           | Capri Global Holdings Private Limited            | 2,60,000               |
| 6.           | Emerging Securities Private Limited              | 1,10,000               |
| 7.           | Raghuvanshi Investment Private Limited           | 80,000                 |
| 8.           | Yuvraja Chanakya Singh                           | 80,000                 |
| 9.           | Value Prolife Consulting Service Private Limited | 60,000                 |
| 10.          | Kiran Dalmia                                     | 40,000                 |
| 11.          | Anju Khanna                                      | 20,000                 |
| 12.          | Priyanka Khanna                                  | 20,000                 |
| 13.          | Pratyush Handa                                   | 10,000                 |
| 14.          | Murli Dhar Vyas                                  | 20                     |
| 15.          | Punit Marketing Private Limited                  | 20                     |
| 16.          | Alissa Nanak Sheth                               | 20                     |
| <b>Total</b> |                                                  | <b>68,59,218</b>       |

**b) Details of Equity Shares issued for consideration other than cash:**

Except as disclosed below, our Company has not issued Equity Shares for consideration other than cash during the last one year immediately preceding the date of filing the Draft Red Herring Prospectus.

| Date of allotment | Name of allottees                                | Number of Shares allotted | Face value per Share (₹) | Issue price per Share (₹) | Reasons for allotment          |
|-------------------|--------------------------------------------------|---------------------------|--------------------------|---------------------------|--------------------------------|
| December 29, 2024 | Mohit Gupta                                      | 1,51,578                  | 10                       | 475                       | Private Placement (Share Swap) |
| July 28, 2025     | Radhika Gupta                                    | 32,87,000                 | 10                       | NA                        | Bonus Issue                    |
|                   | Mohit Gupta                                      | 10,68,096                 | 10                       |                           |                                |
|                   | Manju Gupta                                      | 9,15,000                  | 10                       |                           |                                |
|                   | Vandana Rubber and Chemicals Private Limited     | 9,09,062                  | 10                       |                           |                                |
|                   | Capri Global Holdings Private Limited            | 2,60,000                  | 10                       |                           |                                |
|                   | Emerging Securities Private Limited              | 1,10,000                  | 10                       |                           |                                |
|                   | Raghuvanshi Investment Private Limited           | 80,000                    | 10                       |                           |                                |
|                   | Yuvraja Chanakya Singh                           | 80,000                    | 10                       |                           |                                |
|                   | Value Prolife Consulting Service Private Limited | 60,000                    | 10                       |                           |                                |
|                   | Kiran Dalmia                                     | 40,000                    | 10                       |                           |                                |
|                   | Anju Khanna                                      | 20,000                    | 10                       |                           |                                |
|                   | Priyanka Khanna                                  | 20,000                    | 10                       |                           |                                |
|                   | Pratyush Handa                                   | 10,000                    | 10                       |                           |                                |
|                   | Murli Dhar Vyas                                  | 20                        | 10                       |                           |                                |
|                   | Punit Marketing Private Limited                  | 20                        | 10                       |                           |                                |
|                   | Alissa Nanak Sheth                               | 20                        | 10                       |                           |                                |

**c) Issue of Equity Shares under Sections 230 to 234 of the Companies Act, 2013**

Our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 230-234 of the Companies Act 2013.

**d) Equity Shares issued pursuant to Employee Stock Option Scheme**

As on the date of this Draft Red Herring Prospectus, our Company does not have an Employee stock option plan.

**e) Issue of Equity Shares which may be at a price lower than Issue price in the last one (1) year**

Except as disclosed in “Capital Structure” – Share Capital History of our Company on page 87 our Company has not issued any Equity shares at a price that may be lower than the Issue Price during the last one year from the date of this Draft Red Herring Prospectus.

## 1. Shareholding Pattern of our Company:

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

| Category Code | Category of shareholder        | No. of shareholders | No. of fully paid up equity shares held of face value of ₹10 each | No. of Partly paid up equity shares of face value of ₹10 each held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities* |                                         |             |        | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) | Number of locked in Shares** |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of shares held in dematerialized form |
|---------------|--------------------------------|---------------------|-------------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------|------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------|-------------|--------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|--------------------------------------------------|---------------------------------|----------------------------------------------|
|               |                                |                     |                                                                   |                                                                    |                                              |                        |                                                                           | As a % of (A+B+C2)                                        | Equity Shares of face value of ₹10 each | Other Class | Total  |                                                                                  |                                                                                                                    | No. (a)                      | As a % of total shares held (B) | No. (a)                                          | As a % of total shares held (B) |                                              |
| I             | II                             | III                 | IV                                                                | V                                                                  | VI                                           | VII= IV+ V+V I         | VIII                                                                      | IX                                                        |                                         |             |        | X                                                                                | XI= VII+ X                                                                                                         | XII                          |                                 | XIII                                             |                                 | XIV                                          |
| (A)           | Promoter and Promoter Group    | 5                   | 92,68,767                                                         | -                                                                  | -                                            | 92,68,767              | 90.09 %                                                                   | 92,68,767                                                 |                                         | 92,68,767   | 90.09% | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | 92,68,767                                    |
| (B)           | Public                         | 11                  | 10,20,060                                                         | -                                                                  | -                                            | 10,20,060              | 9.91 %                                                                    | 10,20,060                                                 |                                         | 10,20,060   | 9.91%  | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | 10,20,060                                    |
| (C)           | Non-Promoter-Non Public        | -                   | -                                                                 | -                                                                  | -                                            | -                      | -                                                                         | -                                                         | -                                       | -           | -      | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | -                                            |
| (D)           | Shares underlying DRs          | -                   | -                                                                 | -                                                                  | -                                            | -                      | -                                                                         | -                                                         | -                                       | -           | -      | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | -                                            |
| (E)           | Shares held by Employee Trusts | -                   | -                                                                 | -                                                                  | -                                            | -                      | -                                                                         | -                                                         | -                                       | -           | -      | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | -                                            |
| Total         |                                | 16                  | 1,02,88,827                                                       |                                                                    |                                              | 1,02,88,827            | 100%                                                                      | 1,02,88,827                                               |                                         | 1,02,88,827 | 100%   | -                                                                                | -                                                                                                                  | -                            | -                               | -                                                | -                               | 1,02,88,827                                  |

Note:

1. As on date of this Draft Red Herring Prospectus, one (1) Equity Share of face value of ₹10 each holds one (1) vote.

2. We have only one class of Equity Share of face value of ₹10 each.

\*\*Shall be locked in on or before filling of Prospectus with BSE Limited.

## 2. Details of equity shareholding of major shareholders of our Company

- a. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder                     | Number of Equity Shares held of face value of ₹10 each | % of the pre-Issue equity share capital |
|---------|---------------------------------------------|--------------------------------------------------------|-----------------------------------------|
| 1)      | Radhika Gupta                               | 49,30,500                                              | 47.92                                   |
| 2)      | Mohit Gupta                                 | 16,02,144                                              | 15.57                                   |
| 3)      | Manju Gupta                                 | 13,72,500                                              | 13.34                                   |
| 4)      | Vandan Rubber and Chemicals Private Limited | 13,63,593                                              | 13.25                                   |
| 5)      | Capri Global Holdings Private Limited       | 3,90,000                                               | 3.79                                    |
| 6)      | Emerging Securities Private Limited         | 1,65,000                                               | 1.60                                    |
| 7)      | Yuvraja Chanakya Singh                      | 1,20,000                                               | 1.17                                    |
| 8)      | Raghuvanshi Investment Private Limited      | 1,20,000                                               | 1.17                                    |
|         | <b>Total</b>                                | <b>1,00,63,737</b>                                     | <b>97.81</b>                            |

- b. Set forth below is a list of Shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of 10 days prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder                     | Number of Equity Shares held of face value of ₹10 each | % of the pre-Issue equity share capital |
|---------|---------------------------------------------|--------------------------------------------------------|-----------------------------------------|
| 1)      | Radhika Gupta                               | 49,30,500                                              | 47.92                                   |
| 2)      | Mohit Gupta                                 | 16,02,144                                              | 15.57                                   |
| 3)      | Manju Gupta                                 | 13,72,500                                              | 13.34                                   |
| 4)      | Vandan Rubber and Chemicals Private Limited | 13,63,593                                              | 13.25                                   |
| 5)      | Capri Global Holdings Private Limited       | 3,90,000                                               | 3.79                                    |
| 6)      | Emerging Securities Private Limited         | 1,65,000                                               | 1.60                                    |
| 7)      | Yuvraja Chanakya Singh                      | 1,20,000                                               | 1.17                                    |
| 8)      | Raghuvanshi Investment Private Limited      | 1,20,000                                               | 1.17                                    |
|         | <b>Total</b>                                | <b>1,00,63,737</b>                                     | <b>97.81</b>                            |

- c. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Shareholder                      | Number of Equity Shares held of face value of ₹10 each | % of the pre-Issue equity share capital |
|---------|----------------------------------------------|--------------------------------------------------------|-----------------------------------------|
| 1)      | Radhika Gupta                                | 16,43,500                                              | 55.94                                   |
| 2)      | Mohit Gupta                                  | 3,82,500                                               | 13.02                                   |
| 3)      | Manju Gupta                                  | 4,57,500                                               | 15.57                                   |
| 4)      | Vandana Rubber and Chemicals Private Limited | 4,54,531                                               | 15.47                                   |
|         | <b>Total</b>                                 | <b>29,38,031</b>                                       | <b>100.00</b>                           |

- d. Set forth below is a list of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

| Sr. No.      | Name of the Shareholder                      | Number of Equity Shares held of face value of ₹10 each | % of the pre-Issue equity share capital |
|--------------|----------------------------------------------|--------------------------------------------------------|-----------------------------------------|
| 1)           | Radhika Gupta                                | 16,43,500                                              | 60.42                                   |
| 2)           | Vandana Rubber and Chemicals Private Limited | 4,54,531                                               | 16.71                                   |
| 3)           | Manju Gupta                                  | 3,15,000                                               | 11.58                                   |
| 4)           | Mohit Gupta                                  | 3,07,312                                               | 11.30                                   |
| <b>Total</b> |                                              | <b>27,20,343</b>                                       | <b>100.00</b>                           |

3. Our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if business needs of our Company so require, our Company may alter the capital structure by way of split/ consolidation of the denomination of the Equity Shares/ issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential Issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.

**4. History of build-up of Promoters' shareholding and Lock-in of Promoters' shareholding (including Promoters' contribution):**

a) History of build-up of Promoters' shareholdings.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 92,68,737 Equity Shares which constitutes 90.09% of the pre-Issue issued, subscribed and paid-up Equity Share Capital of our Company. Further, none of the Equity Shares held by our Promoters are pledged.

**(i) Mohit Gupta**

| Date of Allotment */ Transfer | No. of Equity Shares | Face value per Share (₹) | Issue / Acquisition / Transfer price (₹) | Nature of Transactions                                | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|-------------------------------|----------------------|--------------------------|------------------------------------------|-------------------------------------------------------|--------------------------|----------------------------|-----------------------|---------------------|
| February 03, 2006             | 75,000               | 10                       | 10                                       | Further Issue <sup>(1)</sup>                          | 0.73                     | 0.53                       | -                     | -                   |
| March 26, 2008                | (75,000)             | 10                       | 10                                       | Transfer <sup>(2)</sup>                               | (0.73)                   | (0.53)                     | -                     | -                   |
| June 17, 2008                 | 1,66,500             | 10                       | 10                                       | Further Issue <sup>(3)</sup>                          | 1.62                     | 1.19                       | -                     | -                   |
| February 14, 2023             | 70,967               | 10                       | 160                                      | Conversion of unsecured Loan to Equity <sup>(4)</sup> | 0.69                     | 0.51                       | -                     | -                   |
| April 24, 2023                | 69,845               | 10                       | 160                                      | Conversion of unsecured Loan to Equity <sup>(5)</sup> | 0.68                     | 0.50                       | -                     | -                   |
| June 03, 2024                 | 75,188               | 10                       | 160                                      | Right Issue <sup>(6)</sup>                            | 0.73                     | 0.54                       | -                     | -                   |
| October 04, 2024              | (10)                 | 10                       | NA                                       | Transfer <sup>(7)</sup>                               | Negligible               | Negligible                 | -                     | -                   |
| October 04, 2024              | (20)                 | 10                       | 200                                      |                                                       |                          |                            | -                     | -                   |

| Date of Allotment */ Transfer | No. of Equity Shares | Face value per Share (₹) | Issue / Acquisition / Transfer price (₹) | Nature of Transactions                        | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|-------------------------------|----------------------|--------------------------|------------------------------------------|-----------------------------------------------|--------------------------|----------------------------|-----------------------|---------------------|
| December 29, 2024             | 1,51,578             | 10                       | 475                                      | Private Placement (Share Swap) <sup>(8)</sup> | 1.47                     | 1.08                       | -                     | -                   |
| July 28, 2025                 | 10,68,096            | 10                       | NA                                       | Bonus Issue <sup>(9)</sup>                    | 10.38                    | 7.63                       | -                     | -                   |
| <b>Total</b>                  | <b>16,02,144</b>     | -                        | -                                        | -                                             | <b>15.57</b>             | <b>11.45</b>               | -                     | -                   |

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares.

**Notes:**

1. Equity Shares allotted pursuant to further Issue.
2. Transfer of 75,000 Equity shares to Manju Gupta.
3. Equity Shares allotted pursuant to Further Issue.
4. Equity shares allotted pursuant to conversion of unsecured loan into Equity.
5. Equity shares allotted pursuant to conversion of unsecured loan into Equity.
6. Equity shares allotted on Right Issue Basis at ratio 0.24:1.
7. Transfer of 10 Equity shares to Alissa Gupta as Gift; 10 Equity shares each to Murli Dhar Vyas and Punit Marketing Private Limited.
8. Equity Shares allotted pursuant to Private placement (share swap basis).
9. Bonus Shares issued at ratio of 2:1

**(ii) Manju Gupta**

| Date of Allotment */ Transfer | No. of Equity Shares | Face value per Share (₹) | Issue / Acquisition / Transfer price (₹) | Nature of Transactions                                | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|-------------------------------|----------------------|--------------------------|------------------------------------------|-------------------------------------------------------|--------------------------|----------------------------|-----------------------|---------------------|
| June 23, 2004                 | 5,000                | 10                       | 10                                       | Subscriber to MoA <sup>(1)</sup>                      | 0.05                     | 0.03                       | -                     | -                   |
| February 03, 2006             | 50,000               | 10                       | 10                                       | Further Issue <sup>(2)</sup>                          | 0.49                     | 0.36                       | -                     | -                   |
| March 26, 2008                | 2,10,000             | 10                       | 10                                       | Transfer <sup>(3)</sup>                               | 2.04                     | 1.50                       | -                     | -                   |
| June 17, 2008                 | 5,06,500             | 10                       | 10                                       | Further Issue <sup>(4)</sup>                          | 4.92                     | 3.62                       | -                     | -                   |
| February 25, 2011             | 5,00,000             | 10                       | 10                                       | Further Issue <sup>(5)</sup>                          | 4.86                     | 3.58                       | -                     | -                   |
| July 21, 2011                 | (10,81,500)          | 10                       | 10                                       | Transfer <sup>(6)</sup>                               | (10.51)                  | (7.73)                     | -                     | -                   |
| February 14, 2023             | 1,25,000             | 10                       | 160                                      | Conversion of Unsecured Loan to Equity <sup>(7)</sup> | 1.21                     | 0.89                       | -                     | -                   |
| April 17, 2024                | 1,42,500             | 10                       | 160                                      | Right Issue <sup>(8)</sup>                            | 1.38                     | 1.02                       | -                     | -                   |
| July 28, 2025                 | 9,15,000             | 10                       | NA                                       | Bonus Issue <sup>(9)</sup>                            | 8.89                     | 6.54                       | -                     | -                   |
| <b>Total</b>                  | <b>13,72,500</b>     | 10                       | -                                        | -                                                     | <b>13.34</b>             | <b>9.81</b>                | -                     | -                   |

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares



**Notes:**

1. Initial Subscribers to Memorandum of Association.
2. Equity Shares allotted pursuant to Further Issue.
3. Transfer of 75,000 Equity Shares from Mohit Gupta and 1,35,000 Equity Shares from MG Industries Limited
4. Equity Shares allotted pursuant to Further Issue.
5. Equity Shares allotted pursuant to Further Issue.
6. Transfer of 10,81,500 Equity Shares to Radhika Gupta.
7. Equity shares allotted pursuant to conversion of unsecured loan into Equity.
8. Equity shares allotted on Right Issue Basis at ratio of 0.45:1.
9. Bonus shares issued at ratio 2:1

**(iii) Radhika Gupta**

| Date of Allotment/ Transfer* | No. of Equity Shares | Face value per Share (₹) | Issue / Acquisition / Transfer price (₹) | Nature of Transactions           | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|------------------------------|----------------------|--------------------------|------------------------------------------|----------------------------------|--------------------------|----------------------------|-----------------------|---------------------|
| June 23,2004                 | 5,000                | 10                       | 10                                       | Subscriber to MoA <sup>(1)</sup> | 0.05                     | 0.03                       | -                     | -                   |
| February 03, 2006            | 80,000               | 10                       | 10                                       | Further Issue <sup>(2)</sup>     | 0.78                     | 0.57                       | -                     | -                   |
| June 17, 2008                | 1,35,000             | 10                       | 10                                       | Further Issue <sup>(3)</sup>     | 1.31                     | 0.96                       | -                     | -                   |
| July 21,2011                 | 12,33,500            | 10                       | 10                                       | Transfer <sup>(4)</sup>          | 11.99                    | 8.81                       | -                     | -                   |
| March 20,2013                | 1,90,000             | 10                       | NA                                       | Transmissi on <sup>(5)</sup>     | 1.85                     | 1.36                       | -                     | -                   |
| July 28,2025                 | 32,87,000            | 10                       | NA                                       | Bonus Issue <sup>(6)</sup>       | 31.95                    | 23.48                      | -                     | -                   |
| <b>Total</b>                 | <b>49,30,500</b>     | <b>10</b>                | -                                        | -                                | <b>47.92</b>             | <b>35.21</b>               | -                     | -                   |

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares

**Notes:**

1. Initial Subscribers to Memorandum of Association.
2. Equity Shares allotted pursuant to Further Issue.
3. Equity Shares allotted pursuant to Further Issue.
4. Transfer of 10,81,500 Equity Shares from Manju Gupta and 1,52,000 Equity Shares from Late Pradip Gupta.
5. Transmission of 1,90,000 Equity Shares from Late Pradeep Gupta.
6. Bonus shares issued at ratio 2:1

**(iv) Vandana Rubber and Chemicals Private Limited**

| Date of Allotment/ Transfer* | No. of Equity Shares | Face value per Share (₹) | Issue / Acquisition / Transfer price (₹) | Nature of Transactions                                  | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|------------------------------|----------------------|--------------------------|------------------------------------------|---------------------------------------------------------|--------------------------|----------------------------|-----------------------|---------------------|
| April 24,2023                | 4,54,531             | 10                       | 160                                      | Conversion of Unsecured Loan into Equity <sup>(1)</sup> | 4.42                     | 3.25                       | -                     | -                   |
| July 28,2025                 | 9,09,062             | 10                       | NA                                       | Bonus Issue <sup>(2)</sup>                              | 8.84                     | 6.49                       | -                     | -                   |
| <b>Total</b>                 | <b>13,63,593</b>     | <b>10</b>                | -                                        | -                                                       | <b>13.25</b>             | <b>9.74</b>                | -                     | -                   |

\*All the Equity shares held by our promoter were fully paid up as on respective dates of acquisition of such Equity Shares

**Notes:**

1. Equity shares allotted pursuant to conversion of unsecured loan into Equity.
2. Bonus Shares issued at ratio 2:1

b) All Equity Shares of face value of ₹10 each held by our Promoters and Promoter Group in the Company are in dematerialized form as on the date of this Draft Red Herring Prospectus.

**c) Details of Lock-in:**

1. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018 an aggregate of 20.00% of the post Issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of commencement of commercial production or date of allotment, whichever is later. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute [●] of the post-Issue Equity Share Capital of our Company as Promoter's Contribution and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified.

| Date of allotment | Date when made fully paid up | No. of Shares | Face Value(₹) | Issue Price(₹) | Nature of Allotment | % of Post Issue Capital |
|-------------------|------------------------------|---------------|---------------|----------------|---------------------|-------------------------|
| [●]               | [●]                          | [●]           | [●]           | [●]            | [●]                 | [●]                     |
| <b>Total (A)</b>  |                              |               |               |                |                     | [●]                     |

We further confirm that the aforesaid minimum Promoter's Contribution of 20.00% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year of this draft Red Herring Prospectus, at a price lower than the price at which Equity Shares are being issued to public in the Initial Public Offer.
- The Equity Shares held by the Promoters and issued for minimum Promoter's Contribution are not subject to pledge with any creditor.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by the Promoters, as specified above, can be pledged as a collateral security for a loan granted by a schedule commercial bank or a public financial institution or a systematically important non-banking finance company or a housing finance company, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

### Transferability of Locked in Equity Shares:

Further, pursuant to Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person (including promoters and promoters group) holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended and in compliance with the Takeover Code, as applicable.

## 2. Details of share capital locked in for two year & one year

In terms of Regulation 236, 237 and 238 of the SEBI ICDR Regulations, fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public issue; and remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public issue. The entire pre-issue equity share capital held by persons other than promoters of our Company i.e. Promoter Group members and Public shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares

## 5. Details of the shareholding of our Promoters and members of the Promoter Group is as below:

Our Promoters and Promoter Group holds 90.09% of the pre-Issue Equity Share capital of our Company. Except as stated below, our Promoters and the members of our Promoter Group do not hold any Equity Shares in our Company as on date of this Draft Red Herring Prospectus:

| Sr. No.             | Name of the Shareholder                      | Pre-Issue Equity Share capital                      |                                      | Post-Issue Equity Share capital                     |                                   |
|---------------------|----------------------------------------------|-----------------------------------------------------|--------------------------------------|-----------------------------------------------------|-----------------------------------|
|                     |                                              | No. of Equity Shares of face value of ₹10 each held | % of paid-up Equity Share of capital | No. of Equity Shares of face value of ₹10 each held | % of paid-up Equity Share capital |
| A. Promoters:       |                                              |                                                     |                                      |                                                     |                                   |
| 1.                  | Radhika Gupta                                | 49,30,500                                           | 47.92                                | 49,30,500                                           | 35.22                             |
| 2.                  | Mohit Gupta                                  | 16,02,144                                           | 15.57                                | 16,02,144                                           | 11.45                             |
| 3.                  | Manju Gupta                                  | 13,72,500                                           | 13.34                                | 13,72,500                                           | 9.80                              |
| 4.                  | Vandana Rubber and Chemicals Private Limited | 13,63,593                                           | 13.25                                | 13,63,593                                           | 9.74                              |
| Total (A)           |                                              | 92,68,737                                           | 90.09                                | 92,68,737                                           | 66.21                             |
| B. Promoters Group: |                                              |                                                     |                                      |                                                     |                                   |
| 1.                  | Alissa Nayak Sheth                           | 30                                                  | Negligible                           | 30                                                  | Negligible                        |
| Total (B)           |                                              | 30                                                  | Negligible                           | 30                                                  | Negligible                        |
| Total (A+B)         |                                              | 92,68,767                                           | 90.09                                | 92,68,737                                           | 66.21                             |

- None of the Equity Shares held by our Promoters and the members of our Promoter Group are pledged or otherwise encumbered.
- As on the date of filing of this Draft Red Herring Prospectus, our Company has 16 (Sixteen) Shareholders.
- Except as disclosed in "Our Management" on page 213, none of the Directors, Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

9. There are no financing arrangements whereby the members of our Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the Issuer during the period of 6 (six) months immediately preceding the date of filing this Draft Red Herring Prospectus.
10. Our Company, our Directors and the BRLM have not entered into any buy-back or similar arrangements for the purchase of Equity Shares of our Company, issued through this Draft Red Herring Prospectus from any person.
11. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Issue shall be fully paid-up at the time of Allotment.
12. As on the date of the Draft Red Herring Prospectus, our Company doesn't have any Employee Stock Option Scheme (hereinafter called as "ESOP") / Employee Stock Purchase Scheme (hereinafter called as "ESPS") for our employees and we do not intend to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
13. The BRLM and their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and their respective affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may, in the future, engage in investment banking transactions with our Company, for which they may receive customary compensation.
14. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.
15. The Average cost of Acquisition of shares by our promoters is set forth in the table below:

| Sr. No. | Name of Promoters                            | No. of shares held | Average cost of Acquisition (in ₹) |
|---------|----------------------------------------------|--------------------|------------------------------------|
| 1.      | Radhika Gupta                                | 49,30,500          | 2.95                               |
| 2.      | Mohit Gupta                                  | 16,02,144          | 67.55                              |
| 3.      | Manju Gupta                                  | 13,72,500          | 32.57                              |
| 4.      | Vandana Rubber and Chemicals Private Limited | 13,63,593          | 53.53                              |

16. An applicant cannot make an application more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
17. The BRLM, our Company, members of the Syndicate, our Directors, our Promoters, our Promoter Group and/ or any person connected with the Issue shall not offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, except for fees or commission for services rendered relation to the Issue to any Applicant, for making an Application.
18. Except as disclosed in "Capital Structure-Notes on the Capital Structure" on page 87 our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
19. Except for the allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the offer have been listed or all application monies have been refunded or the application monies are unblocked by ASBA Accounts on account of non-listing Non listing, under subscription , as the case may be.

20. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI ICDR Regulations.
21. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
22. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.
23. The unsubscribed portion in any reserved category, if any, may be added to any other reserved category.
24. Under Subscription, if any, in any category, shall be met with spill- over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and designated Stock Exchange.
25. There are no Equity Shares against which depositories receipts have been issued.
26. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. Our Company has not raised any bridge loans against the proceeds of the Issue.
29. Our Company shall comply with such disclosures and accounting norms as may be specified by stock exchange, SEBI and other regulatory authorities from time to time.
30. Our Promoters and Promoter Group will not participate in this Issue.
31. This Issue is being made through Book Building method.
32. There are no safety net arrangements for this Public Issue.
33. All transactions in Equity Shares by our Promoters and members of the Promoter Group, if any, between the date of filing of the Red Herring Prospectus and the Issue Closing Date will be reported to the Stock Exchanges within 24 hours of such transactions being completed.
34. Neither our Company nor any of its Promoter Group or any other related entities have been involved in the act of money mobilization in any manner. Further, no regulatory authority or agency has at any time sought any information in any manner.
35. The company is in compliance with the Companies Act, 1956/2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.

## OBJECTS OF THE ISSUE

The Issue comprises of 37,09,600\* Equity Shares of face value of ₹10 each, aggregating to ₹ [●] by our Company. For details, see “Summary of the Issue Document” and “The Issue” on pages 20 and 69 respectively.

*\*Subject to finalization of Basis of Allotment.*

### Objects of the Issue

The net proceeds of the Issue, i.e. gross proceeds of the Issue less the issue expenses apportioned to our Company (“Net Proceeds”) are proposed to be utilized in the following manner:

1. Repayment/pre-payment, in full or in part, of certain outstanding loans availed by our Company;
2. Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Bhind, Madhya Pradesh);
3. Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Bhind, Madhya Pradesh); and
4. General Corporate Purposes.

### *(Collectively referred as the “Objects”)*

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business.

The Objects of the Issue have been approved by our Board pursuant to its resolution dated July 28, 2025.

The main objects and matters in furtherance of the main objects set out in the Memorandum of Association enable us to undertake its existing activities and the activities for which funds are being raised by us through Fresh Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### Net Proceeds

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

| (₹ in Lakhs)                                          |            |
|-------------------------------------------------------|------------|
| Particulars                                           | Amount     |
| Gross proceeds of the Issue <sup>#</sup>              | [●]        |
| (Less) Expenses in relation to the Issue <sup>*</sup> | [●]        |
| <b>Net Proceeds of the Issue</b>                      | <b>[●]</b> |

<sup>#</sup>To be finalized upon determination of the issue price and will be updated in the prospectus at the time of filling with the ROC.

<sup>\*</sup>Ashwani & Associates, Chartered Accountants, Statutory and Peer review Auditor have vide certificate dated July 31, 2025, 2025 confirmed that the Company has incurred a sum of ₹21.50 lakhs towards issue expenses.

### Utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

| (₹ in Lakhs) |                                                                                                                                                  |                  |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Sr. No.      | Particulars                                                                                                                                      | Estimated Amount |
| 1.           | Repayment/ pre-payment in full or in part, of certain outstanding loans availed by our Company.                                                  | 2,500.00         |
| 2.           | Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Bhind, Madhya Pradesh) | 1,900.00         |
| 3.           | Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Bhind, Madhya Pradesh) | 700.00           |
| 4.           | General Corporate Purposes*                                                                                                                      | [•]              |
|              | <b>Total (Net Proceeds)</b>                                                                                                                      | <b>[•]</b>       |

\*To be finalized upon determination of the issue price and will be updated in the prospectus at the time of filing with the ROC

#### Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

| Sr. No. | Particulars                                                                                                                                      | Amount to be funded from Net Proceeds | Estimated deployment of the Net Proceeds |             |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------------|-------------|
|         |                                                                                                                                                  |                                       | Fiscal 2026                              | Fiscal 2027 |
| 1.      | Repayment/ pre-payment, in full or in part, of certain outstanding loans availed by our Company                                                  | 2,500.00                              | 2,500.00                                 | -           |
| 2.      | Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Bhind, Madhya Pradesh) | 1,900.00                              | 717.70                                   | 1,182.30    |
| 3.      | Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Bhind, Madhya Pradesh) | 700.00                                | 387.68                                   | 312.32      |
| 4.      | General corporate purposes                                                                                                                       | [•]                                   | [•]                                      | [•]         |
|         | <b>Total</b>                                                                                                                                     | <b>[•]</b>                            | <b>[•]</b>                               | <b>[•]</b>  |

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in the Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, access to capital, competition and interest rates and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further details, see “Risk Factors- 13. The Objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders’ approval.”

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Issue, if required and towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed



shall not exceed 15% of the amount raised by our Company through the Fresh Issue or ₹1000.00 lakhs whichever is lower.

## Means of Finance

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

## Details of the utilisation of the Net Proceeds

### 1. Repayment/ pre-payment, in full or in part, of certain outstanding loans availed by our Company

Our Company has entered into financing arrangement from time to time with various banks including borrowings in the form of, working capital facilities/Other Credit facilities, term loan. As on March 31, 2025, our total outstanding loan with various Banks was ₹9,186.24 lakh. For further details, see “Financial Indebtedness” on page 288

Our Board in its meeting dated July 28, 2025 took a note to utilize an estimated amount of ₹ 2,500.00 lakh from the Net Proceeds towards full or partial repayment/pre- payment, of certain outstanding loan availed by our Company, the details of which are listed out in the table below. The Repayment/ pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business. The repayment/pre-payment of loan from the issue proceeds does not directly or indirectly benefit to promoter, promoter group or any related party.

Given the nature of the borrowing and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and, in accordance with the relevant repayment schedule, our Company has repaid, and may in the future, repay or refinance the borrowing set out below, prior to Allotment or avail additional credit facilities.

If at the time of filing the Red Herring Prospectus, the below mentioned loan is repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loan as the case may be. For risks related to repayment/ prepayment of loan, see “Risk Factors- 14 on page 46

Further, in the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid and/or pre-paid by our Company in the subsequent Fiscal.

The details of the outstanding loan proposed to be repaid or prepaid, in full or in part from the Net Proceeds for an aggregate amount of ₹ 2,500.00 Lakhs (pursuant to the criteria set out above) are set forth below:

| Sr. No .                       | Name of the lender  | Type of Loan | Sanction date                  | Sanction Limit | Term of Repayment   | Rate of Interest as on 31.07.2025 | Outstanding 31.07.2025 | Purpose of borrowing                             | Prepayment penalty       | Purpose of utilization of borrowing | Whether utilized for capital; expenditure (Yes/No) |
|--------------------------------|---------------------|--------------|--------------------------------|----------------|---------------------|-----------------------------------|------------------------|--------------------------------------------------|--------------------------|-------------------------------------|----------------------------------------------------|
| <b>Secured Loans - Current</b> |                     |              |                                |                |                     |                                   |                        |                                                  |                          |                                     |                                                    |
| 1.                             | State Bank of India | Cash Credit  | Annually Renewed. Last renewal | 3,000.00       | Repayable on Demand | 9.15% (floating)                  | 2,584.72               | For augmentation of working Capital Requirements | 2% of outstanding Amount | Working Capital Requirement         | No                                                 |

| Sr. No.                                 | Name of the lender                      | Type of Loan              | Sanction date     | Sanction Limit   | Term of Repayment          | Rate of Interest as on 31.07.2025 | Outstanding 31.07.2025 | Purpose of borrowing                             | Prepayment penalty       | Purpose of utilization of borrowing                | Whether utilized for capital; expenditure (Yes/No) |
|-----------------------------------------|-----------------------------------------|---------------------------|-------------------|------------------|----------------------------|-----------------------------------|------------------------|--------------------------------------------------|--------------------------|----------------------------------------------------|----------------------------------------------------|
|                                         |                                         |                           | March 29, 2025    |                  |                            |                                   |                        |                                                  |                          |                                                    |                                                    |
| 2.                                      | State Bank of India. (Foreign Currency) | Working Capital Loan      | March 19, 2025    | 4,000.00         | 6 months                   | 8.97 (floating)                   | 3984.02                | Capital expenditure                              | 2% of prepaid amount     | Purchase of Machinery and construction of building | Yes                                                |
| <b>Secured Loans - Non-Current loan</b> |                                         |                           |                   |                  |                            |                                   |                        |                                                  |                          |                                                    |                                                    |
| 3.                                      | State Bank of India – Term Loan II      | Project Term Loan         | April 10, 2023    | 4,800.00         | Repayable in 132 EMIs      | 9.65% (floating)                  | 760.23                 | Capital expenditure                              | 2% of prepaid amount     | Purchase of Machinery and Construction of Building | Yes                                                |
| 4.                                      | Yes Bank Limited                        | Dropline Over Draft (DOD) | November 28, 2024 | 561.37           | Repayable in 107 EMIs      | 8.80% (floating)                  | 511.93                 | For augmentation of working capital requirements | 2% of outstanding amount | Working Capital requirement                        | No                                                 |
| 5.                                      | Yes Bank Limited                        | Bank overdraft            | December 12, 2024 | 360.00           | 90 days revolving Facility | 9.00%                             | 342.37                 | For augmentation of working capital requirement  | N.A                      | Working Capital requirement                        | No                                                 |
| <b>Total</b>                            |                                         |                           |                   | <b>12,721.37</b> |                            |                                   | <b>8,183.27</b>        |                                                  |                          |                                                    |                                                    |

(1) Facility is available for 12 Months subject to renewal after review every 12 months.

*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Company has obtained a certificate dated July 31, 2025, from Ashwani & Associates, the Statutory and peer review Auditor certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed. There have neither been any delays or defaults by us in relation to the above-mentioned borrowing intended to be repaid/prepaid using the Net Proceeds nor has there been any rescheduling/restructuring of such borrowing*

## 2. Funding Capital Expenditure requirements for setting up green field manufacturing facility for Rubber Recycling Products (Bhind, Madhya Pradesh)

Our Company proposes to undertake rubber recycling and devulcanisation activities as part of our expansion and sustainability initiatives. Rubber recycling refers to the process of converting scrap rubber materials, primarily used tyres, tubes, and flaps, into usable products or raw materials. Through this initiative, we aim to reclaim and reuse internal waste and rejected material from our existing manufacturing operations, thereby improving yield, reducing dependence on fresh raw materials, and lowering overall costs.

Devulcanisation, a specialized recycling process, involves treating vulcanised rubber waste to break sulfur cross-links while retaining the polymer backbone. This enables conversion of scrap rubber into reusable raw material, commonly known as reclaimed rubber, which can be blended with virgin rubber for the manufacture of tyres, tubes, flaps and other industrial products. These initiatives not only provide an environmentally sustainable solution by reducing rubber waste and conserving natural resources, but also position our Company as an eco-conscious manufacturer with improved cost efficiency. The proposed unit will have an estimated annual installed capacity of 3,910 Metric Tonnes Per Annum (MTPA)

### Land

The proposed rubber recycling facility is planned to be established on our existing owned land bearing Plot No. 80, Industrial Area, Malanpur- 477117, Bhind, Madhya Pradesh covering a total land area of approx. 72,453.82 Sq. Ft, the said plot of land has been acquired by the Company from Chambal Pharmacy dated April 24, 2025.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the land on which this Project is being built.

### **Estimated cost**

The total estimated cost for setting up Rubber Recycling Plant is ₹ 1,993.62 lakhs as per the report obtained by the company from Infomerics and Analytics & Research Private Limited dated August 01, 2025 and we intend to utilize ₹1,900.00 lakhs from the Issue proceeds.

The total estimated cost for the aforesaid Facility, as outlined herein are based on our current business plan and existing strategies, internal management estimates, current and valid quotations from suppliers / vendors, and various commercial and technical factors. However, such estimated cost and related fund requirements have not been appraised by any bank or financial institution. Further, no second-hand or used machinery/ equipment are intended to be purchased out of the Net Proceeds.

We intend to use part of the Net Proceeds allocated for this Object as set out below:

| (₹ in lakhs) |                                           |                 |
|--------------|-------------------------------------------|-----------------|
| Sr. No       | Particulars                               | Estimated Cost  |
| 1.           | Building and Boundary wall <sup>(1)</sup> | 721.81          |
| 2.           | Plant & Machineries <sup>(2)</sup>        | 890.40          |
| 3.           | Miss. Asset <sup>(3)</sup>                | 200.17          |
| 4.           | Contingencies <sup>(4)</sup>              | 181.24          |
|              | <b>Total</b>                              | <b>1,993.62</b> |

### **Means of finance**

The total estimated cost for setting up of the Rubber Recycling Plant as stated above is estimated to be ₹ 1,993.62 lakhs. We intend to fund ₹1,900.00 lakhs from the Issue proceeds and the balance ₹93.62 will be funded from the internal accruals.

### **Break-up for Estimated Cost**

The break-up for estimated cost are as follows:

#### **1. Building and Boundary wall**

|                          |   |                           |
|--------------------------|---|---------------------------|
| <b>Name of Vendor</b>    | : | Mega India Infrastructure |
| <b>Date of Quotation</b> | : | June 26, 2025             |
| <b>Validity</b>          | : | December 26,2025          |

| (₹ in lakhs) |                                                                                                                                                                                                              |         |        |           |        |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------|-----------|--------|
| Sr. No.      | Particulars                                                                                                                                                                                                  | Unit    | Qty.   | Rate      | Amount |
| 1            | SHED WORK-RCC footing column Foundation Earth filling RCC trimix flooring brick wall plastering aluminum windows door all painting work and MS Frame structure with roofing profile sheet Etc. Complete work | Sq. ft. | 36,972 | 900       | 332.74 |
| 2            | ADMIN OFFICE (G+1)- RCC Frame structure brick wall Plastering Earth filling tile flooring aluminum windows wooden door all painting work sanitary work and interior & exterior painting Etc. complete work   | Sq. ft. | 11,972 | 1,400     | 167.61 |
| 3            | ROAD WORK- Erath filling dressing stone Boldring PCC and Paver Block Etc. complete work                                                                                                                      | Sq. ft. | 14,314 | 400       | 57.26  |
| 4            | External electrification work                                                                                                                                                                                | Job.    | 1      | 35,00,000 | 35.00  |

| Sr. No.                   | Particulars                                                                                       | Unit  | Qty.  | Rate | Amount        |
|---------------------------|---------------------------------------------------------------------------------------------------|-------|-------|------|---------------|
| 5                         | BOUNDARY WALL- RCC footing column brick wall plastering door and painting work Etc. Complete work | Sqft. | 6,364 | 300  | 19.09         |
| <b>Total</b>              |                                                                                                   |       |       |      | <b>611.70</b> |
| <b>Plus GST Tax @ 18%</b> |                                                                                                   |       |       |      | <b>110.11</b> |
| <b>Grand Total</b>        |                                                                                                   |       |       |      | <b>721.81</b> |

## 2. Plant & Machineries

|                          |   |                |
|--------------------------|---|----------------|
| <b>Name of Vendor</b>    | : | Maris          |
| <b>Date of Quotation</b> | : | May 30, 2025   |
| <b>Validity</b>          | : | March 31 ,2026 |

| <b>(€ in lakhs)</b>                                                          |                 |
|------------------------------------------------------------------------------|-----------------|
| Particulars                                                                  | Amount          |
| Total Price of the Line - Positions                                          |                 |
| 1. Extruder TM92HS/64D                                                       | 6.98            |
| 2. Barrel cooling unit                                                       |                 |
| Forced feeding hopper                                                        | 0.56            |
| Vacuum pump with closed circuit by water                                     | 0.18            |
| Supervision to line start-up                                                 | 0.10            |
| Gravimetric feeder Control board Supervision to gravimetric feeders start-up | 1.00            |
| <b>Total</b>                                                                 | <b>8.81</b>     |
| <b>Exchange Rate as on July 02, 2025</b>                                     | <b>101.0410</b> |
| <b>Amount in INR (In Lakhs)</b>                                              | <b>890.40</b>   |

## 3. Miss. Asset

|                          |   |                           |
|--------------------------|---|---------------------------|
| <b>Name of Vendor</b>    | : | Jayco Engineering Company |
| <b>Date of Quotation</b> | : | June 15,2025              |
| <b>Validity</b>          | : | March 15,2026             |

| <b>(₹ in lakhs)</b> |                                    |          |               |               |
|---------------------|------------------------------------|----------|---------------|---------------|
| Sr. No.             | Description                        | Quantity | Rate Per Unit | Amount        |
| 1                   | Tyre Debeader Machine              | 1        | 17,01,000     | 17.01         |
| 2                   | Tyre Cutter Machine                | 1        | 5,85,000      | 5.85          |
| 3                   | Rubber Cracker Mill Machine        | 1        | 67,50,000     | 67.50         |
| 4                   | Tyre Shredder Machine              | 1        | 49,50,000     | 49.50         |
| 5                   | Disc Screen Filter                 | 1        | 6,75,000      | 6.75          |
| 6                   | Cracker Mill Feeding Conveyor Belt | 1        | 7,65,000      | 7.65          |
| 7                   | Vibrating Screen                   | 1        | 3,60,000      | 3.60          |
| 8                   | Conveyor Belt                      | 1        | 2,29,500      | 2.30          |
| 9                   | Magnetic Seperator                 | 2        | 4,00,500      | 8.01          |
| 10                  | Vibrate Motors                     | 2        | 4,50,000      | 9.00          |
| 11                  | Storage Bins & Racks               | 20       | 1,15,000      | 23.00         |
| <b>TOTAL</b>        |                                    |          |               | <b>200.17</b> |

## 4. Contingencies

A contingency provision for combined hard costs for building & boundary wall, plant and machinery and Miss. assets amounting to ₹ 181.24 lakhs has been included to absorb potential cost overruns arising from material price escalation, scope adjustments and other unforeseen expenditures.

The above quotations received from vendors in relation to the above-mentioned Object are valid as on the date of this Draft Red Herring Prospectus. We have not entered into any definitive agreements with the vendors and there can be no assurance that the same vendor(s) would be engaged to eventually supply the machinery, equipment or we will get the same at the same cost.

The quotation relied upon by us in arriving at the above cost are valid for a specific period and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost.

The above-mentioned vendors are not related to the Promoter, Directors, SMP and KMPs in any manner.

### **Schedule of implementation**

The expected schedule of implementation of the Proposed Facility is set forth below:

| <b>Particulars</b>                   | <b>Start Date</b> | <b>End Date</b>    |
|--------------------------------------|-------------------|--------------------|
| Land Acquisition                     | Acquired          |                    |
| Building and Civil Work              | November 01, 2025 | March 31,2026      |
| Placing of order Plant and Machinery | November 01,2025  | September 30, 2026 |
| Delivery Machinery/Equipment         | September 01,2026 | October 31,2026    |
| Installation of Plant & Machinery    | October 01,2026   | December 15,2026   |
| Electrical Connection                | October 01,2026   | November 30, 2026  |
| Trial Run                            | December 15, 2026 |                    |
| Expected Commercial Operation Date   | January 01, 2027  |                    |

*The aforementioned schedule of implementation is based on the report provided by Infomerics Analytics and Research Private Limited dated August 01, 2025.*

### **Utilities**

#### **Power Consumption**

The power supply for the proposed manufacturing facility shall be obtained from MP Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL).

#### **Water**

Our Company will avail water connection from MP Industrial Development Corporation Limited in form of borewell in our manufacturing unit required at rubber recycling facility.

### **Government Approval**

We are required to obtain certain approvals and/or licenses, which are routine in nature, from governmental or local authorities for setting up the proposed facility. The company has procured and/or applied for necessary approvals as stated below which shall be met from the internal accruals in accordance with applicable law.

| <b>Statutory Clearances</b> | <b>Authority</b>                                            | <b>Status</b>                  |
|-----------------------------|-------------------------------------------------------------|--------------------------------|
| Approved Building Plan      | MP Industrial Development Corporation Limited               | To be obtained                 |
| Consent to Establish        | MP Pollution Control Board                                  | Received on September 02, 2025 |
| NOC for Height Clearance    | MP Industrial Development Corporation Limited               | To be obtained                 |
| Fire                        | State Fire Service Department                               | To be obtained                 |
| Electricity Connection      | MP Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL) | To be obtained                 |
| Water Connection            | MP Industrial Development Corporation Limited               | To be Obtained                 |

### 3. Funding Capital Expenditure requirements for setting up green field manufacturing facility for production of Solid Tyres (Bhind, Madhya Pradesh)

Solid tyres are a natural extension of our existing product portfolio, using our current raw material supply chains, technical know-how, and rubber processing capabilities. This move enables us to serve new sectors such as material handling, forklifts, trolleys, and industrial applications, thereby diversifying our customer base beyond the automotive segment. Solid tyres, due to their industrial use and lower volume competition, often command higher margins compared to conventional pneumatic tyres (a rubber tire filled with air under pressure and mounted around the wheel of a vehicle).

This expansion represents a strategic fit that builds on our existing strengths while opening new avenues for growth and cost efficiency. It aligns with long-term business sustainability and market diversification goals. The proposed unit will have an estimated annual installed capacity of 603 Metric Tonnes Per Annum (MTPA).

#### **Land**

The proposed solid tyre facility is planned to be established on our existing land bearing Plot No. 78, Industrial Area, Malanpur- 477117, Bhind, Madhya Pradesh covering a total land area of approx. 1,79,563.55 Sq. Ft, the said plot of land has been taken on lease by the Company from Madhya Pradesh Industrial Development Corporation Limited dated April 21, 2023.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the land on which this Project is being built.

#### **Estimated cost**

The total estimated cost for setting up solid tyre Plant is ₹ 881.10 lakhs as per the report obtained by the company from Infomerics and Analytics & Research Private Limited dated August 01, 2025 and we intend to utilize ₹700.00 lakhs from the Issue proceeds.

The total estimated cost for the aforesaid Facility, as outlined herein are based on our current business plan and existing strategies, internal management estimates, current and valid quotations from suppliers / vendors, and various commercial and technical factors. However, such estimated cost and related fund requirements have not been appraised by any bank or financial institution. Further, no second-hand or used machinery/ equipment are intended to be purchased out of the Net Proceeds.

We intend to use part of the Net Proceeds allocated for this Object as set out below:

| (₹ in lakhs) |                                    |                |
|--------------|------------------------------------|----------------|
| Sr. No       | Particulars                        | Estimated Cost |
| 1.           | Plant & Machineries <sup>(1)</sup> | 701.00         |
| 2.           | Misc. Assets <sup>(2)</sup>        | 100.00         |
| 3.           | Contingencies <sup>(3)</sup>       | 80.10          |
|              | <b>Total</b>                       | <b>881.10</b>  |

#### **Means of finance**

The total estimated cost for setting up of the solid tyre Plant as stated above is estimated to be ₹ 881.10 lakhs. We intend to fund ₹700.00 lakhs from the Issue proceeds and the balance ₹181.10 lakhs will be funded from the internal accruals.

#### **Break-up for Estimated Cost**

The break-up for estimated cost are as follows:

1. **Plant & Machineries**

|                          |   |                                         |
|--------------------------|---|-----------------------------------------|
| <b>Name of Vendor</b>    | : | Barani Hydraulics India Private Limited |
| <b>Date of Quotation</b> | : | April 17,2025                           |
| <b>Validity</b>          | : | January 12,2026                         |

(₹ in lakhs)

| Sr. No.                                           | Machinery Name                                                                                                                                                                                                                                                                         | Basic Price | Total     | Quantity | Amount    | Common Hydraulic Power Pack | Common electronic Control Panel | Quantity  | Total     |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------|----------|-----------|-----------------------------|---------------------------------|-----------|-----------|
| 1                                                 | 400T capacity LUL Press with<br>1) Top mould clamping cylinder assembly - 4 nos<br><br>2) Bottem mould clamping Cylinder assembly - 4 nos<br><br>3) Roller lifting cylinder assembly-4 nos<br><br>4) 40T hydraulic ejector<br><br>5) dedicated power pack and electrical control panel | 87,65,000   | 87,65,000 | 1        | 87,65,000 | -                           | -                               | -         | 87,65,000 |
| 2                                                 | 300 T Curing Press                                                                                                                                                                                                                                                                     | 34,26,000   | 34,26,000 | 2        | 68,52,000 | 5,25,000                    | 4,50,000                        | 3 Presses | 78,27,000 |
| 3                                                 | 400 T Curing Press                                                                                                                                                                                                                                                                     | 38,55,000   | 38,55,000 | 2        | 77,10,000 | 5,97,000                    | 5,35,000                        | 3 Presses | 88,42,000 |
| 4                                                 | 650 T Curing Press                                                                                                                                                                                                                                                                     | 52,40,000   | 5,24,000  | 1        | 82,40,000 | 5,40,000                    | 4,10,000                        | 2 Presses | 61,90,000 |
| <b>OTHER SPM'S</b>                                |                                                                                                                                                                                                                                                                                        |             |           |          |           |                             |                                 |           |           |
| 5                                                 | Tyre Builder with conveyor and pinch roller                                                                                                                                                                                                                                            | 8,35,000    | 8,35,000  | 1        | 8,35,000  | -                           | -                               | -         | 8,35,000  |
| 6                                                 | Tyre Builder formers of size 8,9,10,12 and 15 inches                                                                                                                                                                                                                                   | 4,60,000    | 4,60,000  | 1        | 4,60,000  | -                           | -                               | -         | 4,60,000  |
| <b>ADDITIONAL REQUIREMENTS FOR CURING PRESSES</b> |                                                                                                                                                                                                                                                                                        |             |           |          |           |                             |                                 |           |           |
| 7                                                 | Mobile mould cart with brake motor proximity switch for every location stop with necessary guides for 300T 400T & 650T curing presses                                                                                                                                                  | 7,35,000    | 7,35,000  | 2        | 14,70,000 | -                           | -                               | -         | 14,70,000 |
| 8                                                 | Rail assembly with bus bar arrangements                                                                                                                                                                                                                                                | 15,20,000   | 15,20,000 | 1        | 15,20,000 | -                           | -                               | -         | 15,20,000 |



| Sr. No.                | Machinery Name                                                                                                                 | Basic Price | Total    | Quantity | Amount    | Common Hydraulic Power Pack | Common electronic Control Panel | Quantity | Total              |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------|----------|----------|-----------|-----------------------------|---------------------------------|----------|--------------------|
| 9                      | Mould waiting station with dedicated mould carrier plate for all curing presses - 8 nos and loading & unloading press - 3 nos  | 2,45,000    | 2,45,000 | 11       | 26,95,000 | -                           | -                               | -        | 26,95,000          |
| 10                     | Timers and tower lamp for all curing presses as well as waiting stations with add-on module in the PLC cables and field wiring | 14,700      | 14,700   | 11       | 1,61,700  | -                           | -                               | -        | 1,61,700           |
| 11                     | Packing Charge (for all presses)                                                                                               | 3,20,000    | 3,20,000 | 1        | 3,20,000  | -                           | -                               | -        | 3,20,000           |
| 12                     | Commissioning Charges (Simultaneous commissioning of all the machines)                                                         | 5,50,000    | 5,50,000 | 1        | 5,50,000  | -                           | -                               | -        | 5,50,000           |
| <b>Total</b>           |                                                                                                                                |             |          |          |           |                             |                                 |          | <b>3,96,35,700</b> |
| <b>Amount in Lakhs</b> |                                                                                                                                |             |          |          |           |                             |                                 |          | <b>396.36</b>      |

|                          |   |                           |
|--------------------------|---|---------------------------|
| <b>Name of Vendor</b>    | : | Jayco Engineering Company |
| <b>Date of Quotation</b> | : | June 14, 2025             |
| <b>Validity</b>          | : | December 31, 2025         |

| (₹ in lakhs) |                                                                                                                                                                                                                    |          |                   |               |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------|---------------|
| Sr. No.      | Description of Goods                                                                                                                                                                                               | Quantity | Rate Per Unit (₹) | Amount        |
| 1            | Mobile Material Transfer Carts - Type: Metal Rounded Carts capable of handling 2MT capacity of Tyres and staking and storing in warehouses: Tyre Weight/Unit approximately 60 Kg: Drawing to be provided by client | 30       | 6,00,000          | 180.00        |
| <b>Total</b> |                                                                                                                                                                                                                    |          |                   | <b>180.00</b> |

|                          |   |                                  |
|--------------------------|---|----------------------------------|
| <b>Name of Vendor</b>    | : | M/S A.K. Contractor & Developers |
| <b>Date of Quotation</b> | : | June 13, 2025                    |
| <b>Validity</b>          | : | December 10, 2025                |

| (₹ in lakhs) |                                                   |      |           |                   |        |
|--------------|---------------------------------------------------|------|-----------|-------------------|--------|
| Sr. No.      | Description                                       | Unit | Qty       | Rate Per Unit (₹) | Amount |
| 1            | Excavation                                        | Cum  | 1,647.52  | 200               | 3.30   |
| 2            | Back filling with excavated earth                 | Cum  | 200       | 150               | 0.30   |
| 3            | PCC                                               | Cum  | 106.28    | 4100              | 4.36   |
| 4            | WMM metal+morrum/Soling                           | Cum  | 512.42    | 1600              | 8.20   |
| 5            | Providing and bending binding Steel reinforcement | Kg   | 46,296.46 | 76                | 35.19  |
| 6            | Shuttering walls and foundation                   | Sqm  | 790.5     | 450               | 3.56   |
| 7            | Concrete 1:1:2                                    | Cum  | 787.28    | 7,450             | 58.65  |
| 8            | Providing and fixing Pockets                      | Nos  | 240       | 750               | 1.80   |

| Sr. No.      | Description                                                                                | Unit | Qty      | Rate Per Unit (₹) | Amount        |
|--------------|--------------------------------------------------------------------------------------------|------|----------|-------------------|---------------|
| 9            | Back filling with morrum                                                                   | Cum  | 575.29   | 500               | 2.88          |
| 10           | Plaster 12-15 mm mm plaster with mortar 1:6                                                | Sqm  | 400      | 220               | 0.88          |
| 11           | Material shifting outside factory                                                          | Cum  | 1,647.52 | 150               | 2.47          |
| 12           | Water proofing                                                                             | Sqm  | 123.55   | 750               | 0.93          |
| 13           | providing febricating supplying 75x75x6 angle for Grouting of nosing and to provide covers | Kg   | 665.31   | 100               | 0.67          |
| 14           | Fixing angles in sides                                                                     | Rmt  | 97.84    | 200               | 0.20          |
| 15           | Template and bolt fixing provided by owner                                                 | Kg   | 1,600    | 80                | 1.28          |
| <b>Total</b> |                                                                                            |      |          |                   | <b>124.64</b> |

## 2. Miss. Asset

|                          |   |                           |
|--------------------------|---|---------------------------|
| <b>Name of Vendor</b>    | : | Jayco Engineering Company |
| <b>Date of Quotation</b> | : | June 15, 2025             |
| <b>Validity</b>          | : | March 15, 2026            |

(₹ in lakhs)

| Particulars                                       | Quantity | Rate Per Unit (₹) | Amount        |
|---------------------------------------------------|----------|-------------------|---------------|
| Forklifts -3 to 5 Tons                            | 2        | 15,00,000         | 30.00         |
| Green Tyre Painting                               | 1        | 12,50,000         | 12.50         |
| Ice Blasting Machine                              | 1        | 15,00,000         | 15.00         |
| Tyre Storage Trolleys                             | 10       | 1,00,000          | 10.00         |
| Conveyors                                         | 2        | 7,50,000          | 15.00         |
| Electrical Scissors Lift 40 Feet Capacity: 500 Kg | 1        | 17,50,000         | 17.50         |
| <b>Total</b>                                      |          |                   | <b>100.00</b> |

## 3. Contingencies

A contingency provision for combined hard costs for building & boundary wall, plant and machinery and Miss. assets amounting to ₹ 80.10 lakhs has been included to absorb potential cost overruns arising from material price escalation, scope adjustments and other unforeseen expenditures

The above quotations received from vendors in relation to the above-mentioned Object are valid as on the date of this Draft Red Herring Prospectus. We have not entered into any definitive agreements with the vendors and there can be no assurance that the same vendor(s) would be engaged to eventually supply the machinery, equipment or we will get the same at the same cost.

The quotation relied upon by us in arriving at the above cost are valid for a specific period and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost.

The above-mentioned vendors are not related to the Promoter, Directors, SMP and KMPs in any manner.

## Schedule of implementation

The expected schedule of implementation of the Proposed Facility is set forth below:

| Particulars                          | Start Date        | End Date           |
|--------------------------------------|-------------------|--------------------|
| Land Acquisition                     | Acquired          |                    |
| Building and Civil Work              | November 01, 2025 | March 31, 2026     |
| Placing of order Plant and Machinery | November 01, 2025 | September 30, 2026 |

| Particulars                        | Start Date         | End Date          |
|------------------------------------|--------------------|-------------------|
| Delivery Machinery/Equipment       | September 01, 2026 | October 31, 2026  |
| Installation of Plant & Machinery  | October 01, 2026   | December 15, 2026 |
| Electrical Connection              | October 01, 2026   | November 30, 2026 |
| Trial Run                          | December 15, 2026  |                   |
| Expected Commercial Operation Date | January 01, 2027   |                   |

*The aforementioned schedule of implementation is based on the report provided by Infomerics Analytics and Research Private Limited dated August 01, 2025.*

### **Utilities**

#### **Power Consumption**

We have made the necessary arrangements for regular uninterrupted power supply at our manufacturing unit. We have availed a power supply from MP Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL).

#### **Water**

Our Company has water connection from MP Industrial Development Corporation Limited in form of borewell required for solid tyre facility.

### **Government Approval**

We are required to obtain certain approvals and/or licenses, which are routine in nature, from governmental or local authorities for setting up the proposed facilities. The company has procured and/or applied for necessary approvals as stated below which shall be met from the internal accruals in accordance with applicable law.

| Statutory Clearances     | Authority                                                   | Status                                                                 |
|--------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|
| Approved Building Plan   | MP Industrial Development Corporation Limited               | Obtained                                                               |
| Consent to Establish     | MP Pollution Control Board                                  | Obtained                                                               |
| NOC for Height Clearance | MP Industrial Development Corporation Limited               | Obtained                                                               |
| Fire                     | State Fire Serviced Department                              | Yet to make an application to renew the Fire Plan approval certificate |
| Electricity Connection   | MP Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL) | Obtained                                                               |
| Water Connection         | MP Industrial Development Corporation Limited               | Obtained                                                               |

## **4. General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹[●] lakhs, towards general corporate purposes, subject to such utilization not exceeding 15% of the amount raised by our Company through the Fresh Issue or ₹1000 lakhs whichever is lower in terms of Regulation 230(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, meeting ongoing general corporate purposes or contingencies, strengthening marketing capabilities and brand building exercises, related infrastructure, strategic initiatives, and/or funding any shortfall in any of the above-mentioned Objects. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilizing surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time in accordance with the applicable laws and regulations and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

### Issue Related Expenses

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

Subject to applicable law, other than the fees paid to the legal, listing fees, all other costs, fees and expenses with respect to the Issue will be borne by our Company in the Fresh Issue. Upon successful completion of the Issue and the receipt of listing and trading approvals from the Stock Exchange, the payment of all fees and expenses shall be made directly from the Public Issue Account. Appropriate details in this regard shall be included in the Cash Escrow and Sponsor Bank Agreement. In the event of withdrawal of the Issue or if the Issue is not successful or consummated, for any reason, all costs and expenses (including all applicable taxes) with respect to the Issue shall be borne by our Company.

| Activity                                                                                             | (₹ In Lakh)* | As a % of Estimates Issue Expenses | As a % of Issue Size |
|------------------------------------------------------------------------------------------------------|--------------|------------------------------------|----------------------|
| Book Running Lead Manager Fees including Underwriting Commission                                     | [●]          | [●]                                | [●]                  |
| Fees Payable to Registrar to the Issue                                                               | [●]          | [●]                                | [●]                  |
| Fees Payable Advertising, Marketing Expenses and Printing Expenses                                   | [●]          | [●]                                | [●]                  |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries                        | [●]          | [●]                                | [●]                  |
| Fees payable to Legal Advisors                                                                       |              |                                    |                      |
| Fees payable to Peer Review Auditor                                                                  | [●]          | [●]                                | [●]                  |
| Fees Payable to Market Maker to the Issue (for three years)                                          | [●]          | [●]                                | [●]                  |
| Others(Industry Report, charges for Monitoring Agency, NSDL and CDSL fees, verification charges etc) | [●]          | [●]                                | [●]                  |
| <b>Total Estimated Issue Expenses</b>                                                                | [●]          | <b>100.00%</b>                     | [●]                  |

a) \*M/s. Ashwani & Associates, Chartered Accountants (Firm Registration Number: 000497N) Statutory and Peer Review Auditor have vide Certificate dated July 31, 2025 confirmed that the Company has incurred a sum of ₹ 21.50 lakhs towards issue expenses.

b) Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price. Issue expense includes applicable taxes, where applicable. Issue Expense are estimates and are subject to change.

### Appraisal by Appraising Agency

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available management estimates. The funding requirements of our Company are dependent on several factors which may not be in the control of our management, including variations in interest rate structures, changes in our

financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **Interim Use of Funds**

We, in compliance with all applicable laws and regulations and also in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **Bridge Financing Facilities**

Our Company has not raised any bridge loans as on the date of this Draft Red Herring Prospectus, which is proposed to be repaid from Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

#### **Monitoring Utilization of Funds**

In terms of Regulation 262 of the SEBI ICDR Regulations, our Company has appointed [●] a monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay, in accordance with applicable law. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such Fiscals as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red herring Prospectus.

#### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above-mentioned proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulation.

### **Other Confirmation**

None of our Promoters, Directors, KMPs, SMPs, and members of our Promoter Group or Group Companies will receive any portion of the Net Proceeds.

There are no existing or anticipated transactions in relation to the utilization of the Net Proceeds entered into or to be entered into by our Company with our Promoters, members of our Promoter Group, Directors, Senior Management Personnel and/or Key Managerial Personnel. Further, there are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel, members of our Promoter Group or Group Companies.

Further, pursuant to the Issue, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoters, Promoter Group, and Group Companies, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

Additionally, the Company undertakes that the unutilized portion of the funds received from the proceeds of the Issue will not be subject to any lien or encumbrance.

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## BASIS FOR ISSUE PRICE

The Price Band/Issue Price shall be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is [•] times the face value of the Equity Shares. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment

Investors should read the following summary with the section titles “Risk Factors”, “Summary of Financial Statements”, “Our Business”, “Restated Financial Statements”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 31, 71, 172, 238 and 272, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are as follows:

- Well-established manufacturing setup
- Business operations capitalizing on the location advantage
- Experienced and dedicated management team

For details, see “Our Business – Our Strengths” on page 172.

### Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For details, see “Restated Financial Statements” and “Other Financial Information” beginning on pages 238 and 269, respectively.

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

#### 1. Basic & Diluted Earnings per share (EPS):

| Year/Month ended        | EPS (₹)      | Weight |
|-------------------------|--------------|--------|
| March 31, 2023          | 15.83        | 1      |
| March 31, 2024          | 17.70        | 2      |
| March 31, 2025          | 61.42        | 3      |
| <b>Weighted Average</b> | <b>39.25</b> |        |

*Note:*

1. Basic and Diluted EPS has been calculated in accordance with the Indian Accounting Standard 33 – “Earnings per share”. The face value of equity shares of our Company is ₹10.
2. 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.
3. The figures above are derived from the Restated Financial Information of our Company.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹[•] per Equity Share of face value of ₹10 each.

| Particulars                                 | P/E at Floor Price | P/E at Cap Price |
|---------------------------------------------|--------------------|------------------|
| P/E ratio based on Basic EPS for FY 2024-25 | [•]                | [•]              |
| P/E ratio based on Weighted Average EPS     | [•]                | [•]              |

#### 3. Return on Net worth (RoNW) for the preceding three years.

| Year/Month ended | RoNW (%) | Weight |
|------------------|----------|--------|
| March 31, 2023   | 9.70     | 1      |
| March 31, 2024   | 10.31    | 2      |



| Year/Month ended        | RoNW (%) | Weight |
|-------------------------|----------|--------|
| March 31, 2025          | 20.17    | 3      |
| <b>Weighted Average</b> | 15.14    |        |

**Note:** The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

#### 4. Industry Peer Group P/E Ratio:

| Particulars        | P/E Ratio |
|--------------------|-----------|
| Highest            | 109.81    |
| Lowest             | 13.35     |
| Industry Composite | 50.17     |

1. The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
2. The industry P/E ratio mentioned above is for the financial year ended March 31, 2025. P/E ratio has been computed based on the closing market price of equity shares on BSE Limited on August 20, 2025 divided by the Diluted EPS for the year ended March 31, 2025.

#### 5. Net Asset Value (NAV)

(Amount in ₹)

| Particulars                          | Amount |
|--------------------------------------|--------|
| March 31, 2025                       | 269.80 |
| NAV per Equity Share after the Issue | [●]    |
| (i) At Floor Price                   | [●]    |
| (ii) At Cap Price                    | [●]    |
| Issue Price                          | [●]    |

\*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

#### 6. Comparison with Listed Peers

| Companies               | Face Value (₹) | Sales (₹ in Lakhs) | PAT (₹ in Lakhs) | EPS (₹) | P/E Ratio | RoNW (%) | Closing Price (₹)* |
|-------------------------|----------------|--------------------|------------------|---------|-----------|----------|--------------------|
| Matangi Rubbers Limited | 10.00          | 10,475.75          | 1,897.91         | 61.42   | -         | 20.51%   | -                  |
| <b>Peers</b>            |                |                    |                  |         |           |          |                    |
| Ceat Limited            | 10.00          | 1,323,542.00       | 47,137.00        | 116.85  | 27.36     | 10.79%   | 3,197.10           |
| TVS Srichakra Limited   | 10.00          | 326,004.00         | 2,052.00         | 26.92   | 109.81    | 1.73%    | 2,956.10           |
| Tolins Tyre Limited     | 5.00           | 29,500.30          | 3,868.20         | 10.81   | 13.35     | 11.92%   | 144.26             |

\*Closing Price as on August 20, 2025 taken from BSE Limited.

#### 7. Key Performance Indicators

(All amount in ₹ lakhs, unless otherwise stated)

| Particulars   | Consolidated | Standalone  | Standalone  |
|---------------|--------------|-------------|-------------|
|               | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| Total Income  | 10,475.75    | 9,126.51    | 8,645.08    |
| EBITDA        | 2,854.02     | 1,014.98    | 798.16      |
| EBIT          | 2,886.73     | 964.16      | 752.41      |
| EBT           | 2,517.47     | 662.12      | 458.04      |
| PAT           | 1,897.91     | 476.03      | 320.42      |
| EBITDA Margin | 28.15%       | 11.26%      | 9.35%       |
| EBIT Margin   | 27.56%       | 10.56%      | 8.70%       |
| EBT Margin    | 24.03%       | 7.25%       | 5.30%       |

| Particulars                | Consolidated | Standalone  | Standalone  |
|----------------------------|--------------|-------------|-------------|
|                            | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| PAT Margin                 | 18.12%       | 5.22%       | 3.71%       |
| Return on Equity           | 20.51%       | 10.31%      | 9.70%       |
| Return on Capital Employed | 15.63%       | 8.84%       | 11.85%      |

1. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is calculated as sum of Profit Before Tax, Finance Cost & Depreciation and Amortization excluding Other Income
2. EBIT (Earning Before Interest & Tax) is calculated as EBITDA Add Other Income less Depreciation
3. EBT (Earning Before Tax) is calculated as EBIT less Finance Cost
4. PAT (Profit After Tax) is calculated as EBT less Tax
5. EBITDA Margin is calculated as EBITDA divided by Revenue from operation
6. EBIT Margin is calculated as EBIT divided by Total Income
7. EBT Margin is calculated as EBT divided by Total Income
8. PAT Margin is calculated as PAT divided by Total Income
9. RoE (Return on Equity) is calculated as PAT divided by Net worth
10. RoCE (Return on Capital Employed) is calculated as EBIT divided by Capital Employed

#### Explanation for Key Performance Indicators

| KPI                     | Explanation                                                                                                                                                             |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue from Operations | Revenue from operations refers to revenue from sales of products, sale of services and other operating income.                                                          |
| Total Revenue           | Total Revenue refers to Revenue from operations plus Other Income.                                                                                                      |
| EBITDA                  | EBITDA is an alternative way to calculate profitability that focuses on a company's ability to generate cash from its regular operations.                               |
| EBIT                    | Measures a company's net income before income tax and interest expenses are deducted.                                                                                   |
| EBT                     | Measures a company's net income before income tax.                                                                                                                      |
| PAT                     | Profit for the year after tax that are available to shareholders.                                                                                                       |
| EBITDA Margin           | EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.                                                                        |
| EBIT Margin             | EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.                                                                     |
| EBT Margin              | EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.                                                                         |
| PAT Margin              | PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.                                                                 |
| RoE                     | RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.         |
| RoCE                    | RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generate the returns against the capital it put to use. |

#### Comparison of KPI with listed industry peers

Peers listed below operate within the same industry and may offer similar products or serve comparable end-use applications, our business may differ in several key areas, including business model, product verticals, strategic focus, and geographic presence.

(All amount in ₹lakhs, unless otherwise stated)

| Particulars  | Matangi Rubbers Limited | Peers        |                       |                     |
|--------------|-------------------------|--------------|-----------------------|---------------------|
|              |                         | Ceat Limited | TVS Srichakra Limited | Tolins Tyre Limited |
| Total Income | 10,475.75               | 1,323,542.00 | 326,004.00            | 29,500.30           |
| EBITDA       | 2,854.02                | 147,414.00   | 22,459.00             | 5,576.10            |
| EBIT         | 2,886.73                | 92,900.00    | 10,204.00             | 5,517.70            |
| EBT          | 2,517.47                | 64,340.00    | 4,791.00              | 4,934.90            |

| Particulars                | Matangi Rubbers Limited | Peers        |                       |                     |
|----------------------------|-------------------------|--------------|-----------------------|---------------------|
|                            |                         | Ceat Limited | TVS Srichakra Limited | Tolins Tyre Limited |
| PAT                        | 1,897.91                | 47,137.00    | 2,052.00              | 3,868.20            |
| EBITDA Margin              | 28.15%                  | 11.15%       | 6.90%                 | 19.07%              |
| EBIT Margin                | 27.56%                  | 7.02%        | 3.13%                 | 18.70%              |
| EBT Margin                 | 24.03%                  | 4.86%        | 1.47%                 | 16.73%              |
| PAT Margin                 | 18.12%                  | 3.56%        | 0.63%                 | 13.11%              |
| Return on Equity           | 20.51%                  | 10.79%       | 1.73%                 | 11.92%              |
| Return on Capital Employed | 15.63%                  | 13.67%       | 4.71%                 | 16.15%              |

#### CEAT Limited

(All amount in ₹ lakhs, unless otherwise stated)

| Particulars                | Consolidated | Standalone   | Standalone   |
|----------------------------|--------------|--------------|--------------|
|                            | Fiscal 2025  | Fiscal 2024  | Fiscal 2023  |
| Total Income               | 1,323,542.00 | 1,191,887.00 | 1,130,192.00 |
| EBITDA                     | 147,414.00   | 165,568.00   | 97,726.00    |
| EBIT                       | 92,900.00    | 113,108.00   | 51,325.00    |
| EBT                        | 64,340.00    | 86,522.00    | 27,421.00    |
| PAT                        | 47,137.00    | 65,430.00    | 20,627.00    |
| EBITDA Margin              | 11.15%       | 13.92%       | 8.68%        |
| EBIT Margin                | 7.02%        | 9.49%        | 4.54%        |
| EBT Margin                 | 4.86%        | 7.26%        | 2.43%        |
| PAT Margin                 | 3.56%        | 5.49%        | 1.83%        |
| Return on Equity           | 10.79%       | 16.56%       | 6.17%        |
| Return on Capital Employed | 13.67%       | 18.90%       | 8.86%        |

Note: All financial figures are taken from Annual report published on BSE website.

#### TVS Srichakra Limited

(All amount in ₹ lakhs, unless otherwise stated)

| Particulars                | Consolidated | Standalone  | Standalone  |
|----------------------------|--------------|-------------|-------------|
|                            | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| Total Income               | 326,004.00   | 276,112.00  | 287,326.00  |
| EBITDA                     | 22,459.00    | 28,077.00   | 21,575.00   |
| EBIT                       | 10,204.00    | 18,148.00   | 12,969.00   |
| EBT                        | 4,791.00     | 13,895.00   | 9,129.00    |
| PAT                        | 2,052.00     | 10,356.00   | 7,012.00    |
| EBITDA Margin              | 6.90%        | 10.19%      | 7.53%       |
| EBIT Margin                | 3.13%        | 6.57%       | 4.51%       |
| EBT Margin                 | 1.47%        | 5.03%       | 3.18%       |
| PAT Margin                 | 0.63%        | 3.75%       | 2.44%       |
| Return on Equity           | 1.73%        | 9.30%       | 6.74%       |
| Return on Capital Employed | 4.71%        | 9.07%       | 7.42%       |

Note: Note: Data Source: All financial figures for Fiscal 2024 & Fiscal 2023 are taken from Annual report and financials figures for Fiscal 2025 is taken from results published on BSE website.

#### Tolins Tyre Limited\*

(All amount in ₹ lakhs, unless otherwise stated)

| Particulars  | Consolidated | Standalone  | Standalone  |
|--------------|--------------|-------------|-------------|
|              | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| Total Income | 29,500.30    | 15,901.00   | 11,967.90   |
| EBITDA       | 5,576.10     | 2,752.10    | 1,226.00    |
| EBIT         | 5,517.70     | 2,696.50    | 1,207.90    |

| Particulars                | Consolidated | Standalone  | Standalone  |
|----------------------------|--------------|-------------|-------------|
|                            | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| EBT                        | 4,934.90     | 1,876.70    | 702.70      |
| PAT                        | 3,868.20     | 1,363.80    | 499.20      |
| EBITDA Margin              | 19.07%       | 17.48%      | 10.37%      |
| EBIT Margin                | 18.70%       | 16.96%      | 10.09%      |
| EBT Margin                 | 16.73%       | 11.80%      | 5.87%       |
| PAT Margin                 | 13.11%       | 8.58%       | 4.17%       |
| Return on Equity           | 11.92%       | 15.49%      | 25.70%      |
| Return on Capital Employed | 16.15%       | 17.91%      | 18.18%      |

\*Note: Fiscal 2025 & Fiscal 2024 is from audited published result on BSE and Fiscal 2023 is from Prospectus

## 8. Weighted average cost of acquisition (“WACA”), Floor price and Cap Price:

### a) Primary Transactions:

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this draft red-herring prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction), in a single transaction or multiple transactions combined together over a span of rolling 30 days. And;

| Date of Allotment | No. of equity shares allotted | Issue price per equity share (₹) | Nature of allotment            | Nature of consideration | Total Consideration (in ₹ lakhs) |
|-------------------|-------------------------------|----------------------------------|--------------------------------|-------------------------|----------------------------------|
| December 31, 2024 | 3,40,000                      | 500                              | Private Placement              | Cash                    | 1,700                            |
| December 29, 2024 | 1,51,578                      | 475                              | Private Placement (Share Swap) | N.A                     | -                                |
| June 03, 2024     | 75,188                        | 160                              | Right Issue                    | Cash                    | 120.30                           |
| April 17, 2024    | 1,42,500                      | 160                              | Right Issue                    | Cash                    | 228.00                           |

### b) Secondary Acquisition:

The are no secondary sale/ acquisition of whether equity shares or 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 Draft Red Herring Prospectus, 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-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

| Types of transactions                                                                        | Weighted average cost of acquisition (₹ per Equity Shares) | Floor Price is ₹[●] | Cap Price is ₹[●] |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------|-------------------|
| Weighted average cost of acquisition of primary issuances as per paragraph 8 (a) above       | 288.79                                                     | [●]                 | [●]               |
| Weighted average cost of acquisition for Secondary transactions as per paragraph 8 (b) above | N.A.                                                       | [●]                 | [●]               |

The Issue price is [●] times of the Face Value of the Equity Shares.

The Issue Price of ₹[●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” on pages 31, 172, 272 and 238, respectively, to have a more informed view.

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## STATEMENT OF TAX BENEFITS

### Statement of Special Tax Benefits available to the Company and its shareholders

To,

**The Board of Directors**

**Matangi Rubber Limited**

401, Fourth Floor, D2, District Centre,

Southern Park, Saket, New Delhi – 110017

### Statement of Special Tax Benefits available to the Company and its shareholders

1. We report that the enclosed statement in Annexure A, prepared by the Company provides the possible special tax benefits available to the Company and to its shareholders, as stated under:

- the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2025, i.e. applicable for the Financial Year 2025 - 26 relevant to the assessment year 2026-27,
- the Central Goods and Services Tax Act, 2017/the Integrated Goods and Services Tax Act, 2017 ("GST Act") respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") presently in force in India and as amended by the Finance Act 2025 and as notified as on the date of signing the statement.

The Income Tax Act, GST Acts, Customs Act and Tariff Act, as defined above, are collectively referred to as the "Tax Laws".

2. Several of these benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or shareholders of the Company to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or the shareholders of the Company may or may not choose to fulfil.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares by the Company ("Issue").
4. We do not express any opinion or provide any assurance as to whether:
- i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been/would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
5. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
6. We hereby give consent to include this statement of tax benefit in the Draft Red Herring Prospectus and submission of this certificate as may be necessary, to the SME platform of BSE Limited where the Equity Shares are proposed to be listed (Stock Exchange) and the Registrar of Companies, Delhi ("RoC"), SEBI or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in Red Herring Prospectus.

7. This Statement is issued solely in connection with the Issue and is not to be used, referred to or distributed for any other purpose.

**For Ashwani & Associates,**  
Chartered Accountants  
ICAI Firm Registration No.: 000497N

**Sd/-**  
**Sanjeeva Narayan**  
**Partner**  
**Membership No: 084205**  
**Place: New Delhi**  
**Date: July 31, 2025**  
**UDIN: 25084205BMHBUI9246**

#### **Annexure-A**

### **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has opted for section 115BAA for the assessment year 2025-26.

There are no other possible special tax benefits available to the company under Tax Laws.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Tax Laws.

#### **C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY**

The Subsidiary Company is not entitled to any special tax benefits under the Tax Laws.

#### **Notes:**

1. We have not considered general tax benefits available to the Company or Shareholders. The above statement covers only certain special tax benefits under the Act, the availability of which is subject to fulfilment of certain conditions. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
2. The above statement of special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.



3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA entered into between India and the country in which the non-resident has fiscal domicile.
4. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed issue.
5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. The above is as per the Tax Laws as on date.

**For Ashwani & Associates,**  
Chartered Accountants  
ICAI Firm Registration No.: 000497N

**Sd/-**  
**Sanjeeva Narayan**  
**Partner**  
**Membership No: 084205**  
**Place:** New Delhi  
**Date:** July 31, 2025  
**UDIN:** 25084205BMHBUI9246

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## SECTION IV ABOUT THE COMPANY

### INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market related information in this section has been derived from a report titled “Industry Report on Rubber (Tyre) Industry” dated April 23, 2025 prepared by Infomerics Analytics & Research Private Limited (the “Infomerics Report”). We commissioned and paid for the Infomerics Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Issue for an agreed fee. We engaged Infomerics in connection with the preparation of the Infomerics Report pursuant to an engagement letter dated February 28, 2025. The data included herein includes excerpts from the Infomerics Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue) that has been left out or changed in any manner. A copy of the Infomerics Report will be available on the website of our Company at [www.matangirubber.com](http://www.matangirubber.com) from the date of the Draft Red Herring Prospectus until the Bid/ Issue Closing Date. Unless otherwise indicated, financial, operational, industry and other related information derived from the Infomerics Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial legal, taxation, and other advisors concerning the transaction.

#### Industry Overview

##### 1. Indian Macro Economy an overview

The global economy exhibited steady yet uneven growth across regions in 2024. A notable trend was the slowdown in global manufacturing, especially in Europe and parts of Asia, due to supply chain disruptions and weak external demand. In contrast, the services sector performed better, supporting growth in many economies. Inflationary pressures eased in most economies. However, services inflation has remained persistent. Although commodity prices have stabilised, the risk of synchronised price increases persists. With growth varying across economies and last-mile disinflation proving sticky, central banks may chart varying paths of monetary easing. This will lead to uncertainty over future policy rates and inflation trajectories. This apart, geopolitical tensions, ongoing conflicts, and trade policy risks continue to pose significant challenges to global economic stability.

In this global context, India displayed steady economic growth. As per the first advance estimates of national accounts, India’s real GDP is estimated to grow by 6.4 per cent in FY 25. Growth in the first half of FY 25 was supported by agriculture and services, with rural demand improving on the back of record Kharif production and favourable agricultural conditions. The manufacturing sector faced pressures due to weak global demand and domestic seasonal conditions. Private consumption remained stable, reflecting steady domestic demand. Fiscal discipline and strong external balance supported by a services trade surplus and healthy remittance growth contributed to macroeconomic stability. Together, these factors provided a solid foundation for sustained growth amid external uncertainties.

Looking ahead, India’s economic prospects for FY 26 are balanced. Headwinds to growth include elevated geopolitical and trade uncertainties and possible commodity price shocks. Domestically, the translation of order books of private capital goods sector into sustained investment pick-up, improvements in consumer confidence, and corporate wage pick-up will be key to promoting growth. Rural demand backed by a rebound in agricultural production, an anticipated easing of food inflation and a stable macro-economic environment provide an upside to near-term growth. Overall, India will need to improve its global competitiveness through grassroots-level structural reforms and deregulation to reinforce its medium-term growth potential.

## **Snapshots on key Economic Indicators: -**

### **Foreign Direct Investment:**

Foreign Direct Investment, the subject of much analysis, has held up. RBI data on India's Balance of Payments shows us that the investment interest of external investors, measured in terms of dollar inflows of new capital, was USD 45.8 billion in FY 24 compared to USD 47.6 billion in FY 23. This slight decline is in line with global trends. Reinvestment of earnings remained the same. Repatriation of investment was USD 29.3 billion in FY23 and USD 44.5 billion in FY 24. Many private equity investors took advantage of buoyant equity markets in India and exited profitably. It is a sign of a healthy market environment that offers profitable exits to investors, which will bring newer investments in the years to come. That said, the environment for foreign direct investment to grow in the coming years is not highly favourable for many reasons.

### **Employment generation:**

It is worth reiterating that job creation happens mainly in the private sector. Second, many (not all) of the issues that influence economic growth, job creation and productivity and the actions to be taken therein are in the domain of state governments. So, in other words, India needs a tripartite compact, more than ever before, to deliver on the higher and rising aspirations of Indians and complete the journey to Viksit Bharat by 2047.

In more than one respect, the action lies with the private sector. In terms of financial performance, the corporate sector has never had it so good. Results of a sample of over 33,000 companies show that, in the three years between FY 20 and FY 23, the profit before taxes of the Indian corporate sector nearly quadrupled. Further, newspaper headlines told us that the corporate profits-to-GDP ratio rose to a 15-year high in FY 24. Business Line reported, "The corporate profit for the Nifty-500 universe was up 30 per cent last fiscal to ₹14.11-lakh crore against ₹10.88 lakh crore in FY 23. The nominal GDP grew 9.6 per cent y-o-y to ₹295-lakh crore (₹269-lakh crore)". Hiring and compensation growth hardly kept up with it. But, it is in the interest of the companies to step up hiring and worker compensation.

Between FY 19 and FY 23, the cumulative growth in private sector non-financial Gross Fixed Capital Formation (GFCF) is 52% in current prices. During the same period, the cumulative growth in general government (which includes states) is 64%. The gap does not appear to be too wide.

Private sector GFCF in machinery and equipment and intellectual property products has grown cumulatively by only 35% in the four years to FY 23. Meanwhile, its GFCF in 'Dwellings, other buildings and structures' has increased by 105%. This is not a healthy mix. Second, the slow pace of investment in M&E and IP Products will delay India's quest to raise the manufacturing share of GDP, delay the improvement in India's manufacturing competitiveness, and create only a smaller number of higher-quality formal jobs than otherwise.

Nonetheless, there is a silver lining in the data. In the two years since FY 21, GFCF by the private sector has grown faster. General government GFCF rose a cumulative 42% between FY 21 and FY 23. Non-Financial Private Sector's overall GFCF increased by 51%; investment in Machinery and Equipment and Intellectual Property Products increased by 38%. So, the growth in these two critical sub-components of Private Sector GFCF is similar to that of the overall GFCF by the General Government. This is a statistic that bears watching. They should continue to invest. To do so, they need demand visibility. That comes from employment and income growth.

### **Agriculture can be a growth engine:**

The agriculture sector is one area ripe for and in need of such a pan-India dialogue. Agriculture and farmers matter for a nation. Most countries understand that. India is no exception. India subsidises their water, electricity and fertilisers. The former two are provided virtually free. Their incomes are not taxed. The government offers them a minimum support price (MSP) for 23 selected commodities. Monthly cash support is offered to farmers through the PM-KISAN scheme. Indian governments – national and sub-national – write off their loans. So, governments in India spend enough resources to look after the farmers well. Yet, a case can be made that they can be served better with some re-orientation of existing and new policies.

## Unleashing small enterprises:

Another area where policy intentions have yet to manifest in desired outcomes is with respect to small, medium, and large enterprises. Earlier, several products were reserved for small scale industries. That was phased out as it benefitted neither the small-scale industries nor the overall economy. Recent concerted efforts at formalising them are making progress. Progress is relatively slower on access to finance. Buyers and creditors are shedding old mindsets and practices too slowly for these enterprises to feel the effect. However, these enterprises need maximum relief from the compliance burdens they face. Laws, rules and regulations stretch their finances, abilities and bandwidth, perhaps robbing them of the will to grow.

### Final words:

The tripartite compact that this country needs to become a developed nation amidst emerging unprecedented global challenges is for governments to trust and let go, for the private sector to reciprocate the trust with long-term thinking and fair conduct and for the public to take responsibility for their finances and their physical and mental health.

## 1. An overview on Macro Economy Parameters

Global economic conditions are shaped by changing growth dynamics, fluctuating commodity prices, and evolving monetary policies, which influence domestic inflation, trade balances, and capital flows. At present, this interconnectedness is complicated by unusual levels of geopolitical tensions, supply chain disruptions, and climate-related shocks. Against this background, this chapter is organised broadly into four sections. The first section outlines the global economic scenario comprehensively, highlighting growth and inflation trends, policy stances, and key emerging risks and uncertainties. The second section focuses on the domestic macroeconomic situation, examining developments from the demand and supply sides. The third section delves into the emerging trends in public finances, inflation, external sector, financial markets and employment. The concluding section presents the prospects and outlook for growth in the presence of global headwinds while capitalising on domestic growth drivers.

### Global Economic Scenario:

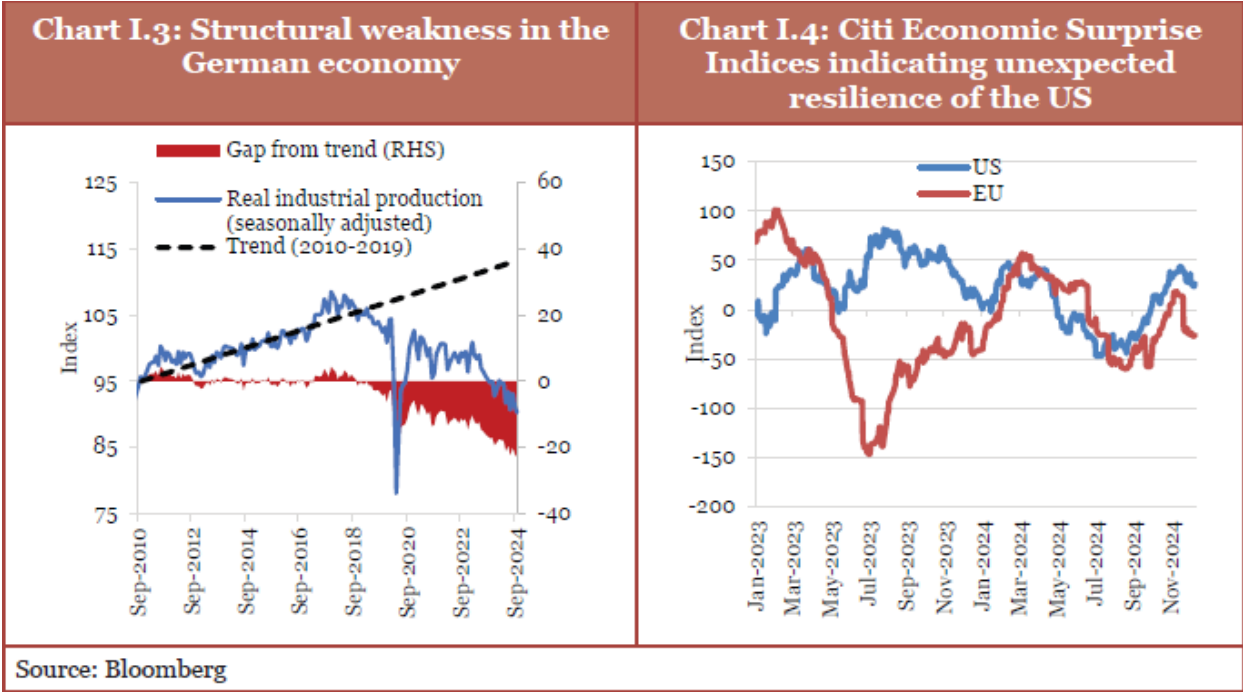
Globally, 2024 has been an eventful year. The year witnessed unprecedented electoral activity on the political front, with more than half of the global population voting in major elections across countries. Meanwhile, adverse developments like the Russia-Ukraine conflict and the Israel-Hamas conflict increased regional instability. These events impacted energy and food security, leading to higher prices and rising inflation. Cyberattacks also became more frequent and severe, with growing human and financial consequences due to the increasing digitisation of critical infrastructure. Geopolitical tensions have reshaped global trade. Geopolitical risks and policy uncertainty, especially around trade policies, have also contributed to increased volatility in global financial markets

Nonetheless, global economic growth has remained fairly moderate. The global economy grew by 3.3 per cent in 2023. The International Monetary Fund (IMF) has projected growth of 3.2 per cent and 3.3 per cent for 2024 and 2025, respectively. Over the next five years, global growth is expected to average around 3.2 per cent, which is modest by historical standards. While the overall global outlook remains steady, growth varies across different regions. Further, geopolitical developments and monetary policy changes across countries resulted in increased caution among investors, culminating in moderation in foreign direct investment (FDI) flows.



Despite higher interest rates, advanced economies (AEs) witnessed stable growth in the first half of 2024. This was on account of moderating inflation and sustained employment and consumption. However, the growth outlook differs between the United States (US) and the Euro Area. Growth in the US is expected to remain strong at 2.8 per cent in 2024 and may decline slightly in 2025, reflecting a moderation in consumption and exports.

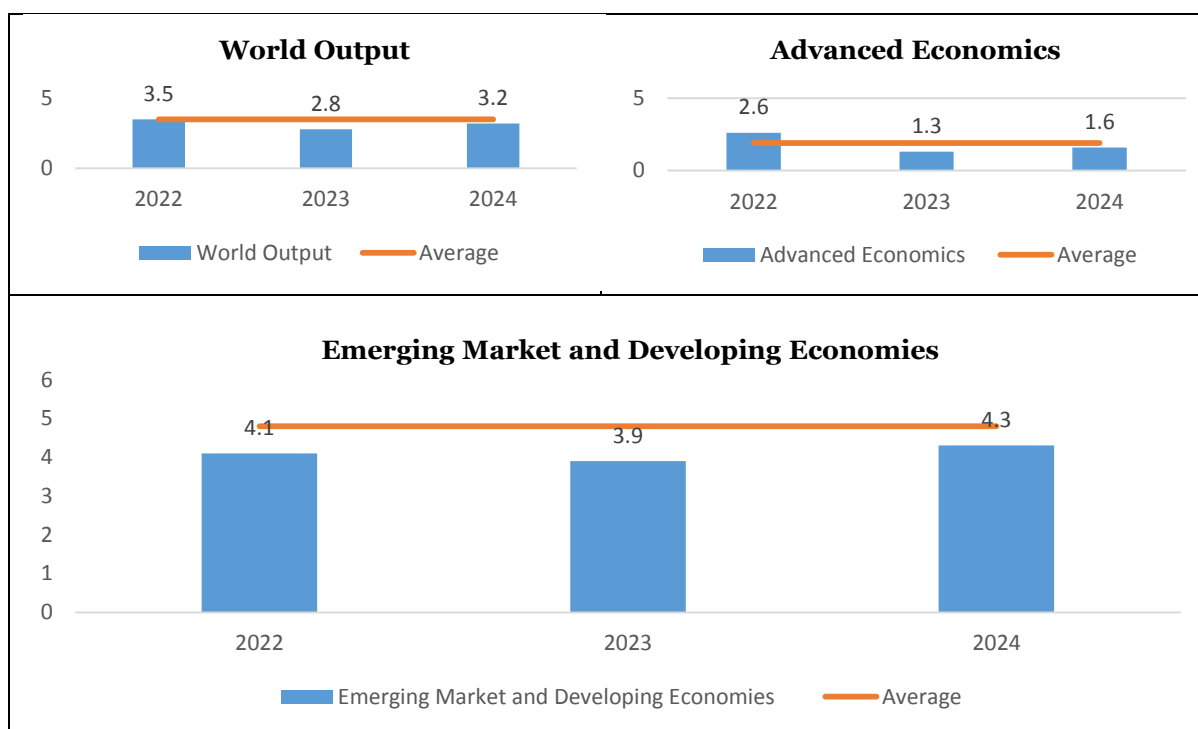
In the Euro area, growth is expected to improve from 0.4 per cent in 2023 to 0.8 per cent in 2024 and further to 1.0 per cent in 2025 on the back of improving services activity. However, growth outcomes in Europe have been varied. Some countries like Spain, France, Poland, and the United Kingdom have benefitted from the strength of their services sector. Meanwhile, manufacturing-intensive countries like Germany and Austria are being weighed down by weak demand.<sup>5</sup> Germany’s structural weaknesses, particularly in manufacturing, have been noticeable, contributing to the slackness in Europe’s manufacturing. Political developments in France and Germany are also adding to policy uncertainty in Europe’s major economies.



The divergence of the growth trajectories of Europe and the US can also be seen in Citi Economic Surprises indices for these countries. These indices compare actual data releases with analyst expectations. A value above zero indicates the data was stronger than analyst expectations, while a negative value indicates weaker actual data compared to expectations. Between January 2023 and November 2024, data for the US economy continued to present more ‘positive’ surprises than the EU, compared to the analyst estimates.

Within Asia, Japan’s growth was hindered by domestic supply disruptions in the early part of the year, while China’s growth weakened after the first quarter, affected by sluggish private consumption and investment, alongside challenges in the real estate sector.

## Global economy registers strong growth



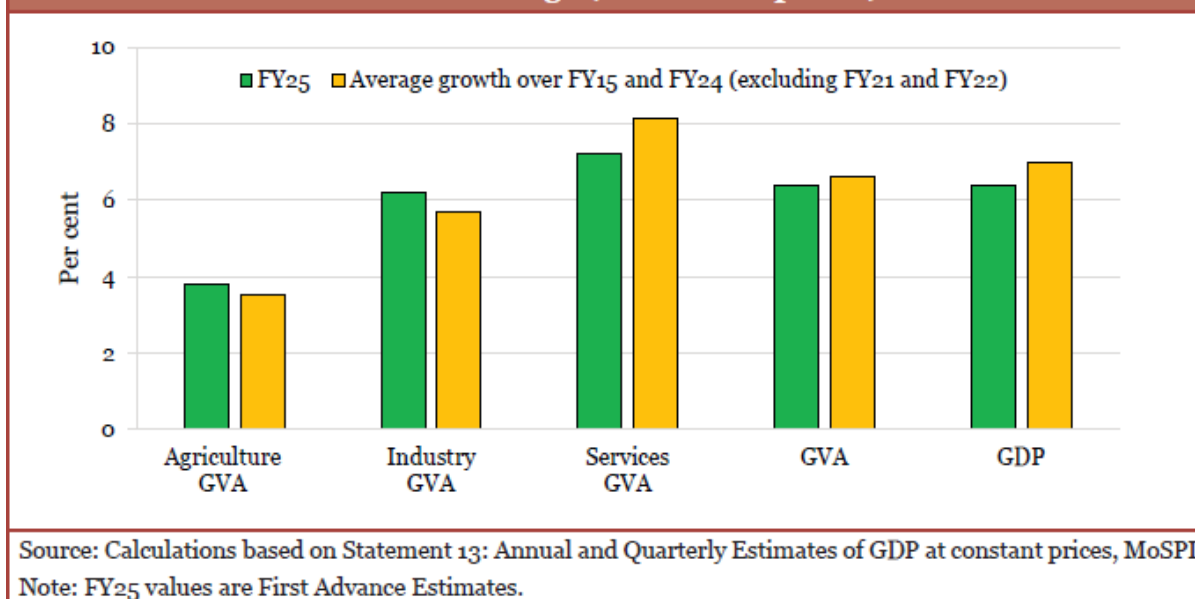
## All major economies have surpassed pre-pandemic GDP levels:

| Country        | Year in which crossed pre pandemic GDP (constant prices, national currency) | Ratio of GDP (constant prices, national currency) in 2023 to corresponding level in 2019 |
|----------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| United States  | 2021                                                                        | 108                                                                                      |
| China          | 2020                                                                        | 120                                                                                      |
| France         | 2022                                                                        | 102                                                                                      |
| Germany        | 2022                                                                        | 101                                                                                      |
| United Kingdom | 2022                                                                        | 102                                                                                      |
| Japan          | 2023                                                                        | 101                                                                                      |
| India          | 2021                                                                        | 120                                                                                      |
| Brazil         | 2021                                                                        | 107                                                                                      |

## Domestic Economy:

As per the first advance estimates released by the National Statistical Office, Ministry of Statistics & Programme Implementation (MoSPI), the real gross domestic product (GDP) growth for FY 25 is estimated to be 6.4 per cent. From the angle of aggregate demand in the economy, private final consumption expenditure at constant prices is estimated to grow by 7.3 per cent, driven by a rebound in rural demand. PFCE as a share of GDP (at current prices) is estimated to increase from 60.3 per cent in FY 24 to 61.8 per cent in FY 25. This share is the highest since FY 03. Gross fixed capital formation (GFCF) (at constant prices) is estimated to grow by 6.4 per cent.

**Chart I.20: Despite global uncertainty, India's growth remains close to decadal average (at constant prices)**



On the supply side, real gross value added (GVA) is also estimated to grow by 6.4 per cent. The agriculture sector is expected to rebound to a growth of 3.8 per cent in FY 25. The industrial sector is estimated to grow by 6.2 per cent in FY 25. Strong growth rates in construction activities and electricity, gas, water supply and other utility services are expected to support industrial expansion. Growth in the services sector is expected to remain robust at 7.2 per cent, driven by healthy activity in financial, real estate, professional services, public administration, defence, and other services. The analysis of growth trends in this chapter, hereinafter, is mostly based on the trends in the first half (H1) of FY 25, on which the information base is more comprehensive.

### Resilient recovery

The COVID-19 pandemic caused widespread disruptions to economies worldwide. Economic Survey 2023-24 compared the post-pandemic trends until Q4 FY 24 with the pre-pandemic trajectory and concluded that the economy grew briskly enough to avert any permanent loss of output.

The overall picture is encouraging. Aggregate GVA surpassed its pre-pandemic trend in Q1 FY 25, and it now hovers above the trend in the H1 FY 25. The agriculture sector remains strong, consistently operating well above trend levels. The industrial sector has also found its footing above the pre-pandemic trajectory. The robust rate of growth in the recent years has taken the services sector close to its trend levels.

A closer look at industrial sub-sectors reveals a spectrum of performances. Construction has been a standout, gaining momentum since mid-FY 21 and soaring approximately 15 per cent above its pre-pandemic trend—an impressive feat driven by robust infrastructure development and housing demand. The utilities sector, including electricity, gas, water supply, and other services, reached its pre-pandemic trend by the end of FY 23 and has consistently stayed above these levels. Manufacturing, while steadily recovering, remains slightly below its pre-pandemic trajectory. Meanwhile, mining continues to operate below its pre-pandemic trend.

The recovery within the services sector has been uneven. Financial, real estate and professional services have taken the lead, surpassing pre-pandemic trend levels by the end of FY 23. Public administration, defence, and other services followed suit, exceeding the trend for the first time in Q1 of FY 25 since the onset of the pandemic. However, trade, hotels, transport, and communication services are gradually catching up with the pre-pandemic trend. These contact-intensive sectors faced challenges due to lockdown, restricted demand for travel, and reduced demand for hospitality, entertainment, and personal services.



**Chart I.21: Aggregate GVA recovery continues**

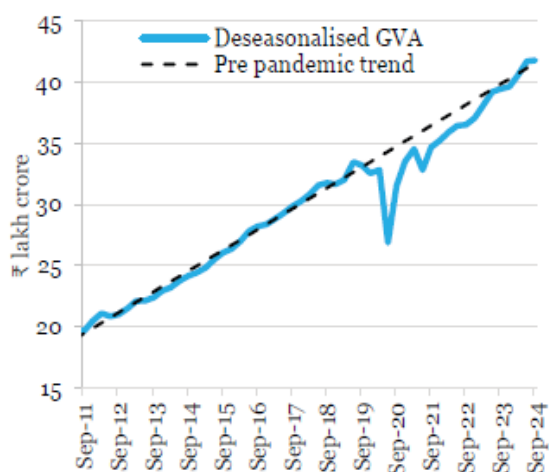


**Chart I.22: Agriculture GVA sustained at higher levels**

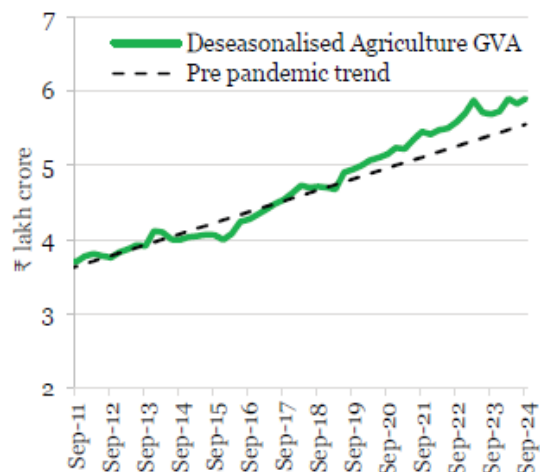


**Chart I.23: Industrial GVA operating above the trend level**

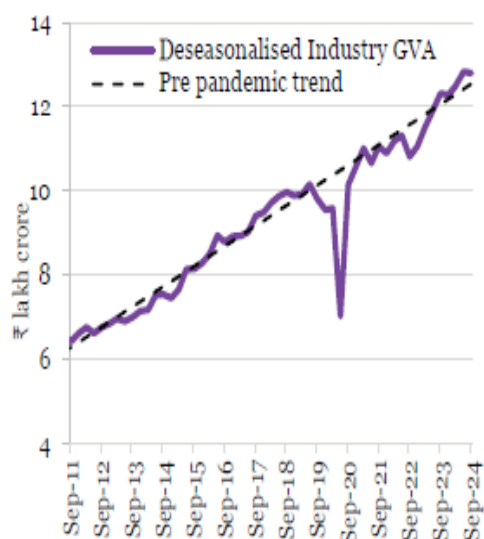


**Chart I.24: Services GVA is close to its trend**

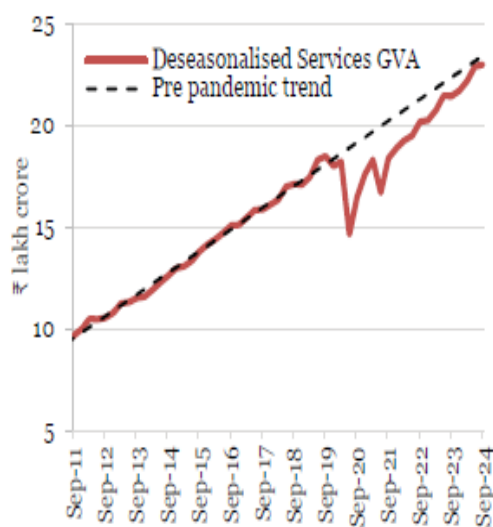


**Chart I.25: Construction GVA operating well above trend levels, and manufacturing GVA gradually recovering**

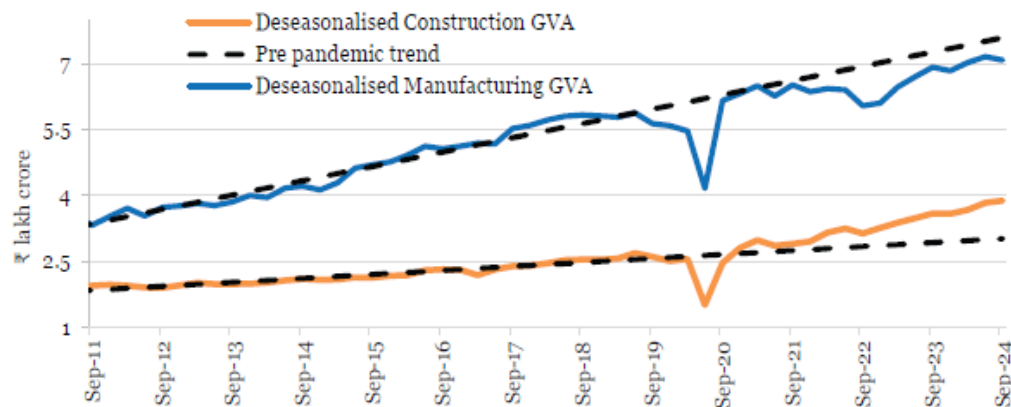
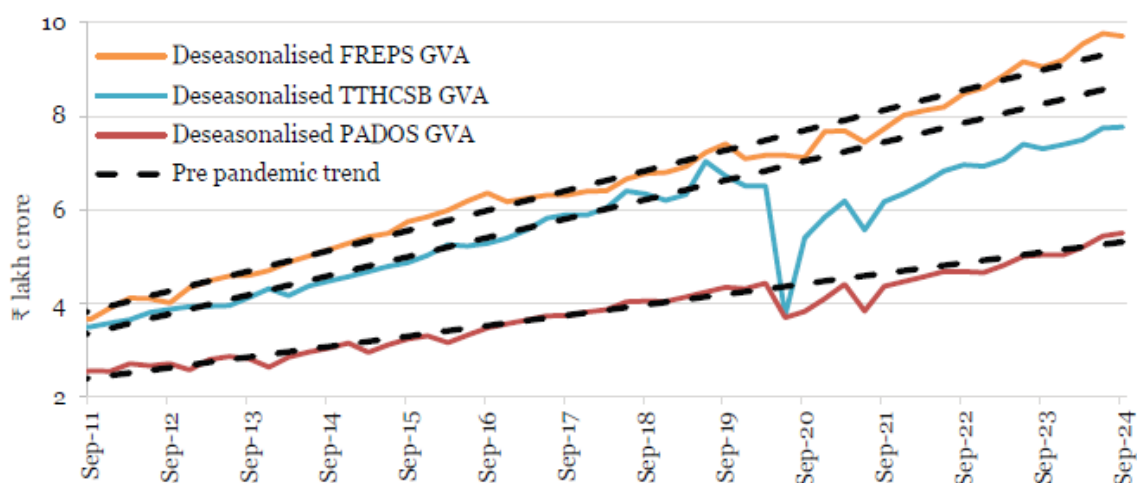


**Chart I.26: Uneven recovery within the services sector**



Source: Calculations based on Statement 13: Annual and Quarterly Estimates of GDP at constant prices, MoSPI

Note: i) **FREPS**- Financial, real estate and professional services ii) **TTHCSB** – Trade, transport, hotel, communication and services related to broadcasting iii) **PADOS** - Public administration, defence & other services.

All de-seasonalised variables are derived from National Accounts variables at constant (2011-12) prices.

### Growth in H1 FY 25 driven by agriculture and services sector

The real GVA grew by 6.2 per cent in H1 FY 25. A strong growth momentum in Q1 FY 25 was followed by a subdued performance in Q2 FY 25. The agriculture and services sectors emerged as key growth drivers during this period. However, the overall growth was tempered by moderation in industrial growth, particularly in manufacturing, which faced challenges from slowing global demand and supply chain disruptions.

India's GDP at constant (2011-12) prices grew by 6.7 per cent and 5.4 per cent in Q1 and Q2 FY 25, respectively. This implied a real GDP growth of 6.0 per cent in the first half of the current fiscal.

**Chart I.29: GDP growth in H1 FY25 at 6.0 per cent**

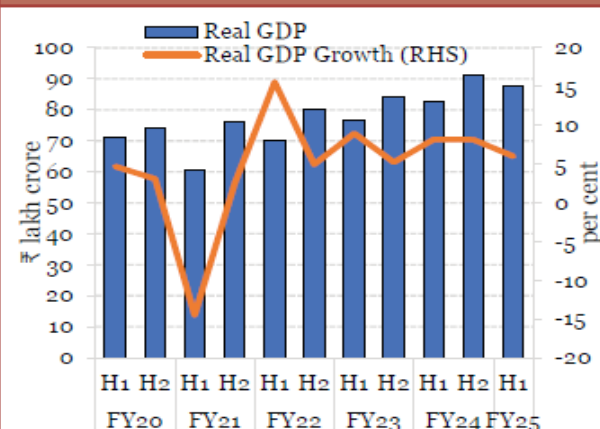
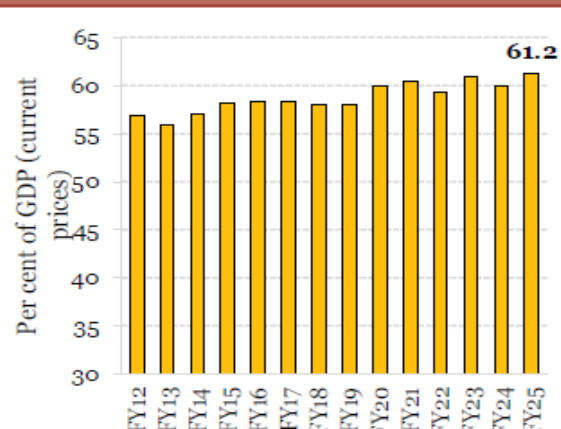
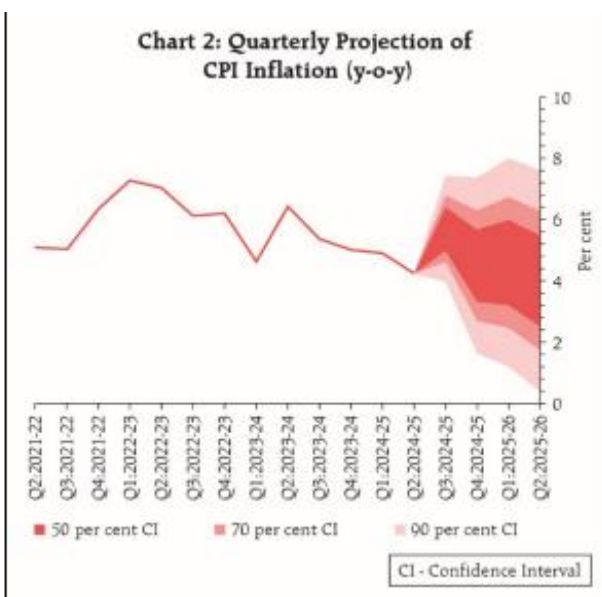
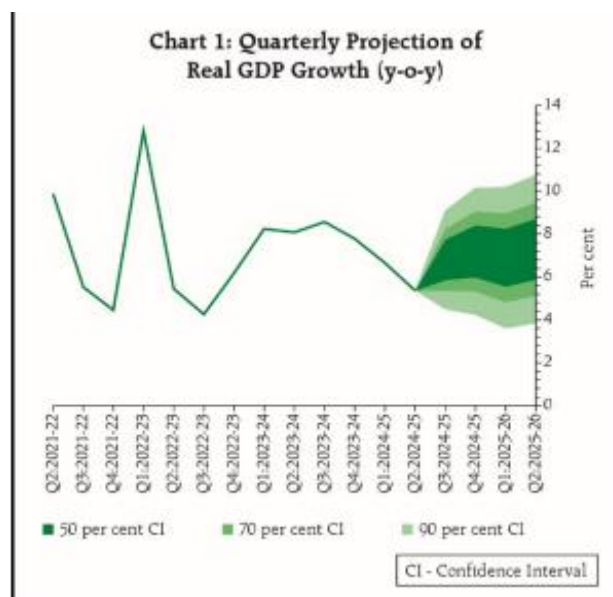


**Chart I.30: Highest share of private consumption in H1 across all years**



Source: Calculations based on Statement 13: Annual and Quarterly Estimates of GDP at constant prices and Statement 14: Annual and Quarterly Estimates of GDP at current prices, MoSPI



India's headline inflation, measured by the Consumer Price Index (CPI), has moderated in FY 25 (April-December) compared to FY 24. This decline is primarily due to a significant decrease in core inflation, which dropped by 0.9 percentage points between FY 24 and FY 25 (April-December). The sharp decline in core inflation was largely driven by core services inflation, which was lower than core goods inflation. A decrease in fuel price inflation has also contributed to the moderation in headline inflation, alleviating pressure on household budgets. In general, the decline in retail inflation can be attributed to a reduction in input prices, as reflected in wholesale price inflation, which was in the deflationary zone (-0.7 per cent) in FY 24 and remained low in FY 25 (April-December).

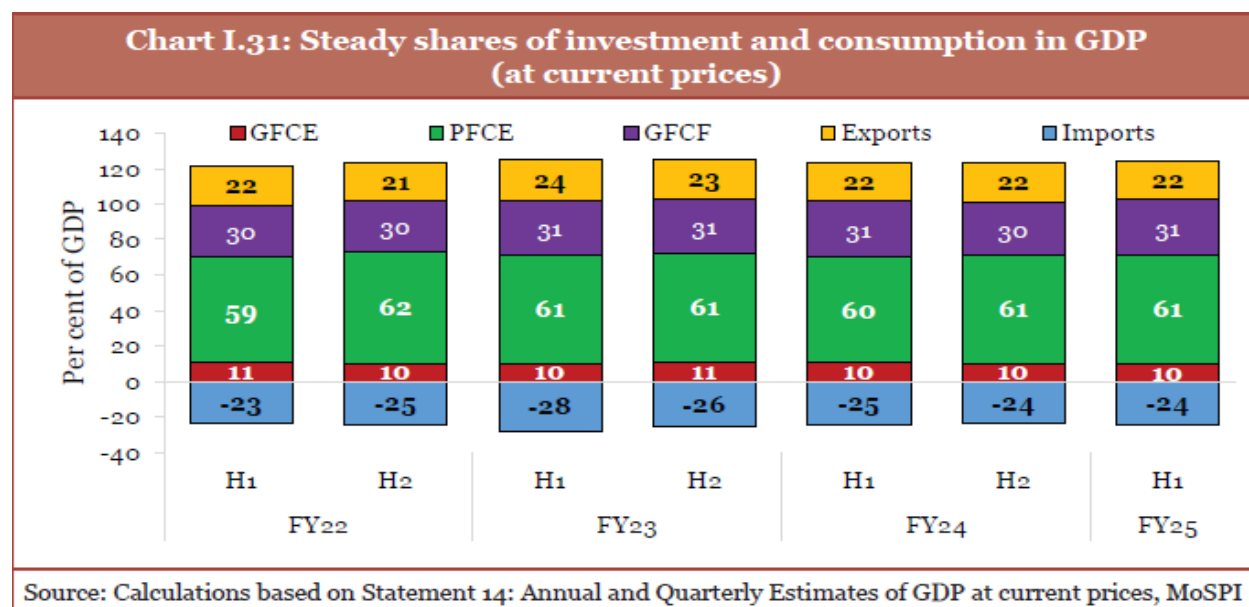
Various high-frequency indicators reflect the growth in the services sector. Both Goods and Services Tax (GST) collections and the issuance of e-way bills, reflecting wholesale and retail trade, demonstrated double-digit growth in FY 24. Financial and professional services have been a major driver of growth post the pandemic. Contact-intensive services—prominently trade, transport, real estate and their ancillary services that were impacted the most during the pandemic have emerged much stronger in the post-pandemic period, embedding greater technology and digital content

in them and transforming the nature of the service delivery in India. The proliferation of global capability centres (GCCs) has also imparted resilience to India's services exports, giving further thrust to the sector.

From a demand perspective, Private Final Consumption Expenditure (PFCE) firmed up in H1 FY 25, growing by 6.7 per cent YoY. While National Accounts data is not disaggregated by geography, indicators such as 2-wheeler and 3-wheeler sales and tractor sales signal that rural demand contributed to private consumption growth. This is also reflected in the January 2025 round of National Bank for Agriculture and Rural Development (NABARD's) Rural Economic Conditions and Sentiments Survey, where 78.5 per cent of rural households reported an increase in their consumption expenditure during the last year. The impulse from rural demand is expected to continue in the second half of the fiscal year with the returns from a bumper Kharif crop and higher MSPs for a prospectively good Rabi crop.

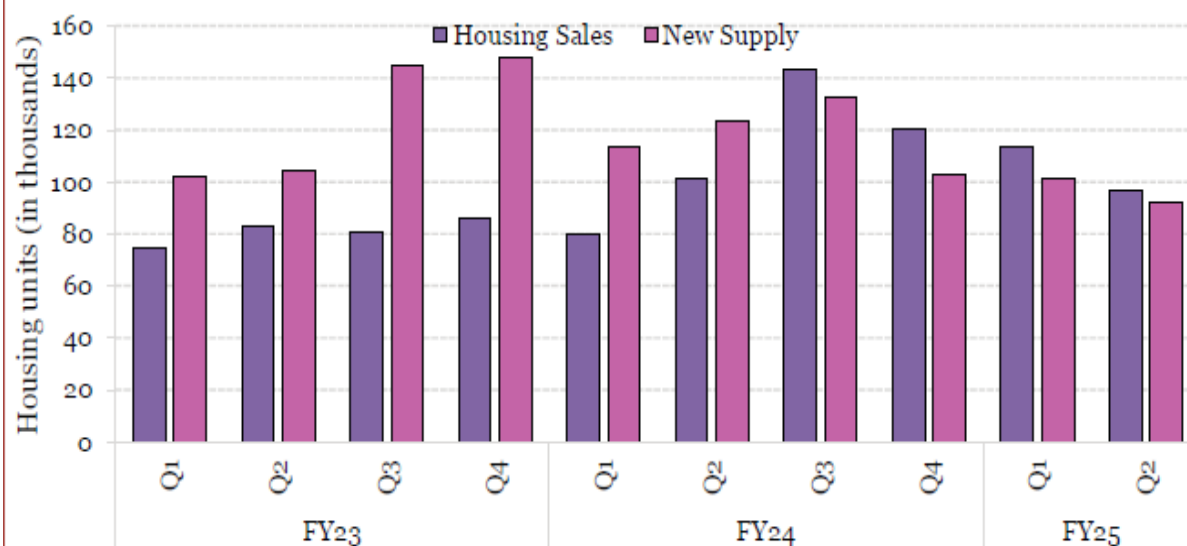
On the other hand, indicators of urban demand presented mixed trends. According to data from the Federation of Automobile Dealers Associations (FADA)<sup>19</sup>, the growth of passenger vehicle sales has slowed to 4.2 per cent YoY in April – November 2024 compared to 9.2 per cent in the corresponding period of the previous year. Fast-moving consumer goods (FMCG) sales in urban areas, as per Nielsen IQ, have recorded a moderate growth in H1FY25. However, there is steady growth of 7.7 per cent YoY in air passenger traffic in April – November 2024. The 7.3 per cent YoY growth indicated by the First Advance Estimates for PFCE at constant prices for FY 25 indicates a pick-up in the most recent months.

The moderation in real GDP growth can be traced to a softening of growth in Gross Fixed Capital Formation (GFCF) from 10.1 per cent in H1 FY 24 to 6.4 per cent in H1 FY 25. Q1 FY 25 witnessed a slowdown in capital expenditure across different levels of government on account of the conduct of the general elections. Private sector investment growth may have remained subdued thus far in FY 25 on account of the domestic political timetable, global uncertainties and overcapacities.



An additional reason for the slowdown in capital formation growth in Q2 FY 25 may have emanated from the moderation in residential investment by households in this quarter, which is on the back of a sharp uptick over the last few quarters. Industry reports, however, point out that the correction in demand-supply metrics in this sector is indicative of market normalisation after a period of robust performance. An inventory overhang of 23 months signals healthy demand momentum in the segment.

**Chart I.32: Moderating housing sales and launches on the back of a high base in the top 8 cities<sup>20</sup>**



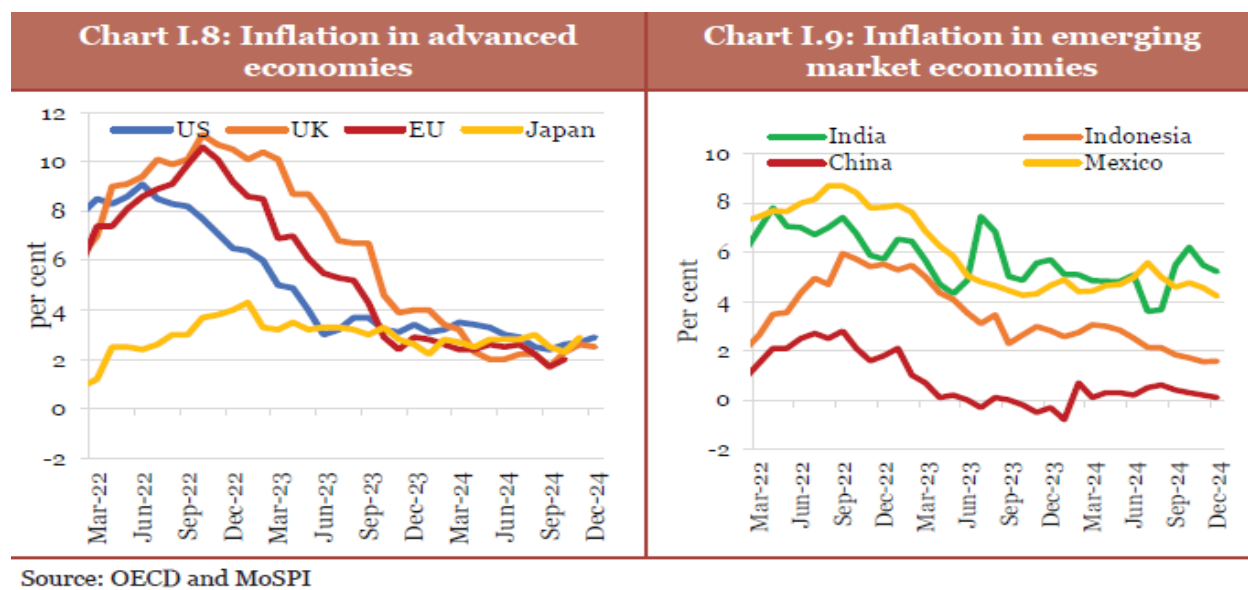
Source: Various Real Insight Residential reports by Proptiger

The slowdown in investment activity is likely temporary. Green shoots in capital formation are visible. Union government capex is up 8.2 per cent in July – November 2024 and is expected to pick up further pace. Early results of the RBI's Order Books, Inventory, and Capacity Utilisation Survey (OBICUS) show that the seasonally adjusted capacity utilisation (CU) in manufacturing firms was 74.7 per cent in Q2 FY 25, above the long-term average of 73.8 per cent. A private sector report's<sup>22</sup> analysis of a sample of capital goods companies indicates that the order books of these companies have registered a sharp increase of 23.6 per cent in FY 24 as against a compound annual growth rate (CAGR) of 4.5 per cent in the preceding four years. Moreover, in H1 FY 25, there has been a growth of 10.3 per cent compared to the end of FY 24. The RBI's report on private investments showed that investment intentions increased to ₹2.45 lakh crore for FY 25 as compared to ₹1.6 lakh crore for FY 24. Along with fresh investment, some of the existing intentions would spill over and be implemented in FY 26.

On the external front, exports of goods and non-factor services at constant prices increased by 5.6 per cent in H1 FY 25, while imports increased by 0.7 per cent. In Q2 FY 25, imports of goods and services at constant prices contracted by 2.9 per cent, primarily driven by a decline in commodity prices. As a result, net exports contributed positively to real GDP growth in this period.

#### **Moderation in inflation pressure:**

Inflation rates across economies have trended downward steadily, approaching central bank target levels. This has been the result of tighter monetary policy regimes across the globe and supply chains adapting to higher levels of economic uncertainty. As a consequence, price pressures eased in 2023 due to a reduction in fuel prices. In 2024, it was attributed to a broad-based reduction in goods inflation.



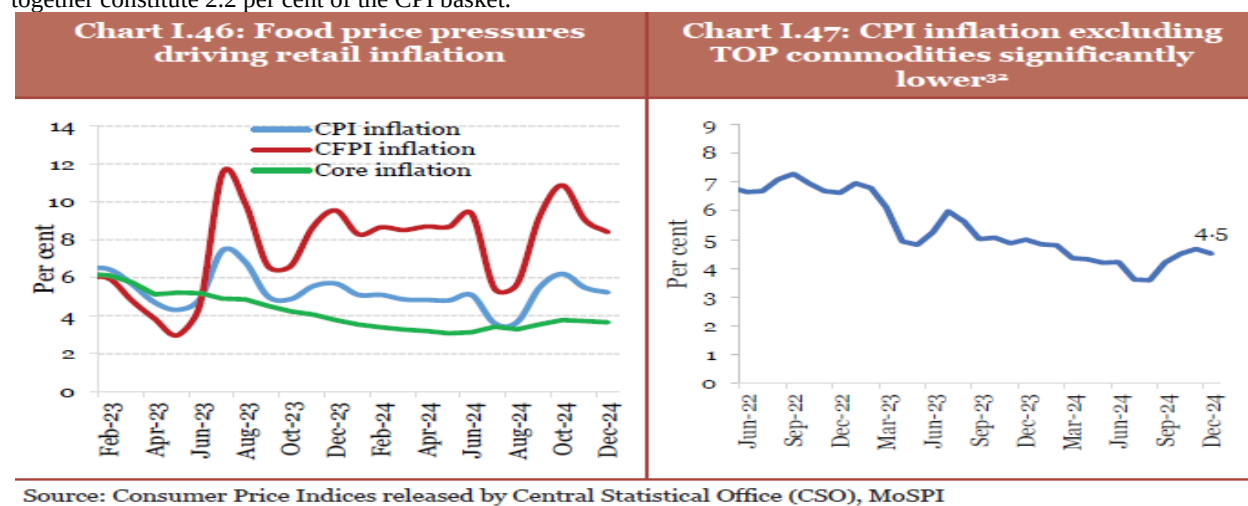
However, disinflation seems to have slowed due to the persistence of services inflation, while core goods inflation has fallen to negligible levels. The IMF World Economic Outlook (WEO) October 2024 reasons that this is on account of higher nominal wage growth as compared to pre-pandemic trends. The report notes that there are early signs that these pressures are abating, thereby aiding the disinflation process.

#### **Inflation – a combination of low and stable core inflation with volatile food prices**

Retail headline inflation, as measured by the change in the Consumer Price Index (CPI), has softened from 5.4 per cent in FY 24 to 4.9 per cent in April – December 2024. The decline is attributed to a 0.9 percentage point reduction in core (non-food, nonfuel) inflation between FY 24 and April – December 2024. While the average inflation in FY 25 has trended downward, monthly volatility in food prices and a select few commodities have been responsible for CPI inflation printing towards the upper side of the tolerance band of 4 (+/-) 2 per cent.

Pressures in food prices have been driven by factors such as supply chain disruptions and vagaries in weather conditions. Food inflation, measured by the Consumer Food Price Index (CFPI), has increased from 7.5 per cent in FY24 to 8.4 per cent in FY25 (April-December), primarily driven by a few food items such as vegetables and pulses.

Plots headline retail inflation excluding the following commodities – tomato, onion and potato, (TOP). These commodities together constitute 2.2 per cent of the CPI basket.

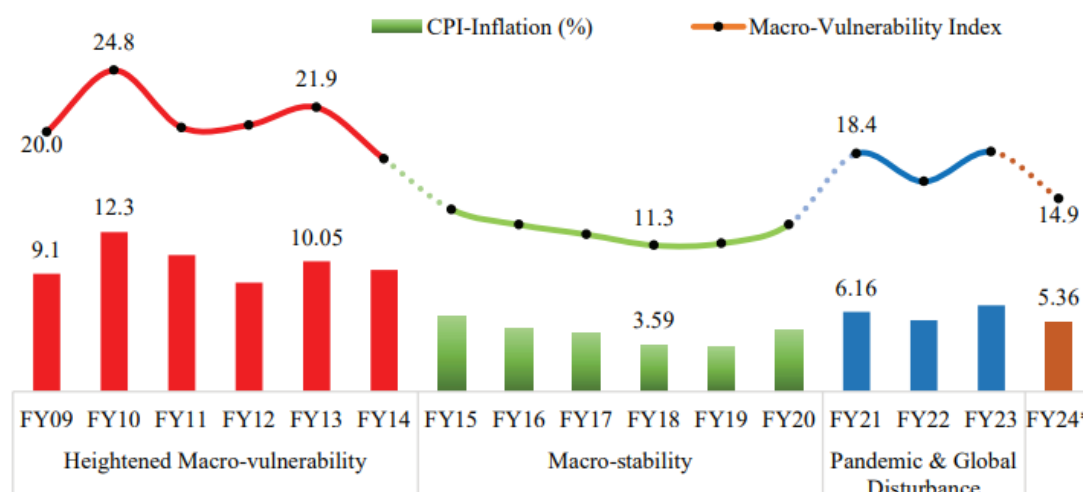




## Reduction in macro vulnerability

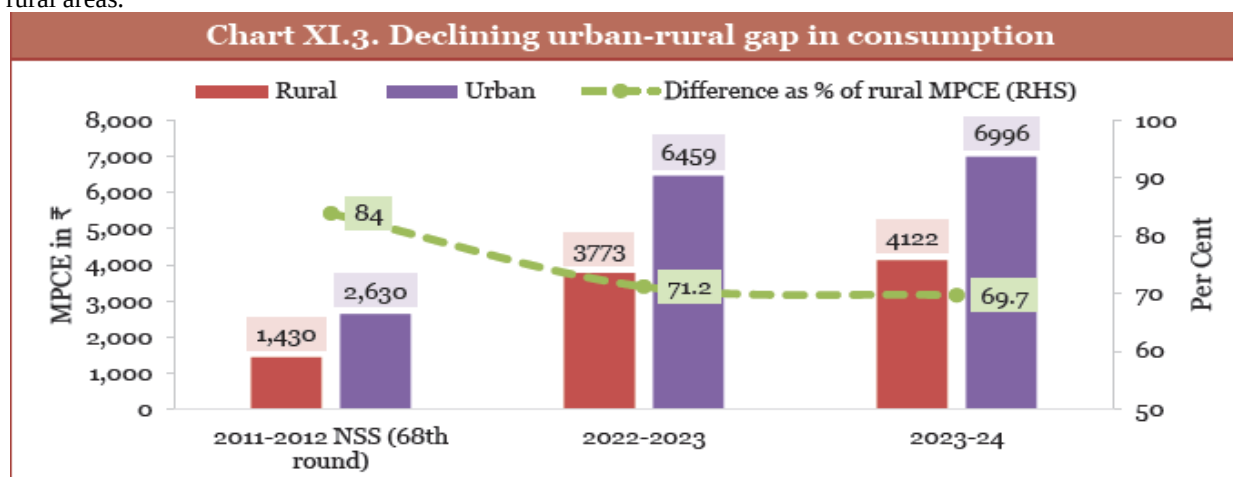
In its pursuit of fiscal consolidation through efficient and prudent fiscal management, the Government continues to stick to the fiscal glide path. The fiscal deficit of the Government is expected to drop to 4.5 per cent of GDP or lower by FY 26. This commitment has helped keep the sovereign debt sustainable, thereby keeping sovereign bond yields and spreads in check. All these factors have combined to keep the macroeconomic environment stable and provide a platform for sustainable growth. This is reflected in the downward trajectory of the macroeconomic vulnerability index – an index constructed by combining India’s fiscal deficit, CAD and inflation.

### A reduction in macro-vulnerability despite increased external uncertainty:



## Household Consumption Expenditure Survey 2023-24

The results of the Household Consumption Expenditure Survey (HCES) 2023-24 highlights the narrowing urban-rural gap in consumption expenditure. The average monthly per capita expenditure (MPCE) in rural and urban India in 2023-24 is estimated at ₹4,122 and ₹6,996, respectively.<sup>5</sup> Considering the imputed values of items received free of cost through various social welfare programmes, these estimates rise to ₹4,247 and ₹7,078, respectively, for rural and urban areas. The urban-rural gap in MPCE has declined to 71 per cent in 2022-23 from 84 per cent in 2011-12. It has further come down to 70 per cent in 2023-24, which confirms the sustained momentum of consumption growth in rural areas.



Source: HCES 2023-24, MoSPI



Social sector initiatives have reduced inequality and increased consumption spending, as reflected in the survey. The Gini coefficient improved for rural areas (declined to 0.237 in 2023-24 from 0.266 in 2022-23) and urban areas (declined to 0.284 in 2023-24 from 0.314 in 2022-23). The bottom 5 per cent of the rural population, ranked by MPCE, has an average MPCE of ₹1,677, compared to ₹2,376 in urban areas. The top 5 per cent have average MPCEs of ₹10,137 in rural and ₹20,310 in urban areas.

The largest growth in average MPCE between 2022-23 and 2023-24 occurred among the bottom 5–10 per cent of the population in both rural and urban areas. The bottom 5 per cent of the rural population saw a 22 per cent increase, while the corresponding urban segment experienced 19 per cent growth in the MPCE.

The Economic Survey 2023-24 highlighted how the welfare policies of the government and the social sector initiatives have resulted in the reduction of inequality marked by rising consumption expenditure, as evident from the results of the HCES 2022-23. Fiscal policies of the government are playing a key role in reshaping income distribution, inter-alia, through the provision of subsidies, pensions, and other direct transfers, as well as public spending on social services such as education and health.

Various government welfare schemes such as free foodgrain or subsidised availability of foodgrains, subsidised cooking fuel, insurance cover, etc, are lifting household incomes. These fiscal transfers help to provide additional resources to the financially deprived sections and, thus, favourably impact people's standard of living. As an example, building upon the learnings of the HCES, a study by the World Bank<sup>8</sup> presents evidence of the re-distribution impact of the Public Distribution System (PDS).

## **OUTLOOK AND WAY FORWARD:**

A steady growth trajectory shapes the global economic outlook for 2024, though regional patterns vary. The near-term global growth is expected to be a shade lower than the trend level. The services sector continues to drive global expansion, with notable resilience in India. Meanwhile, manufacturing is struggling in Europe, where structural weaknesses persist. Trade outlook also remains clouded in the next year.

Inflationary pressures have been easing globally, though risks of synchronised price pressures linger due to potential geopolitical disruptions, such as tensions in the Middle East and the ongoing Russia-Ukraine conflict. Central banks have adopted more accommodative monetary policies. However, the pace of rate cuts varies across regions depending on the growth imperatives and the pace of disinflation, creating potential divergences in economic recovery.

On the domestic front, rebounding rural demand augurs well for consumption. Investment activity is expected to pick up, supported by higher public capex and improving business expectations. Capacity utilisation in manufacturing remains above the long-term average, and private sector order books have shown steady growth, alongside a rise in investment intentions. However, these gains could be tempered by the global excess capacities in sectors such as steel, leading to aggressive trade policies in search of demand.

Going forward, food inflation is likely to soften in Q4 FY 25 with the seasonal easing of vegetable prices and Kharif harvest arrivals. Good Rabi production is likely to contain food prices in the first half of FY 26. Adverse weather events and rise in international agricultural commodity prices, however, pose risks to food inflation. Global energy and commodity prices have softened in the recent past, making the core inflation outlook benign. However, risks remain on account of significant global political and economic uncertainties.

In brief, there are many upsides to domestic investment, output growth and disinflation in FY 26. There are equally strong, prominently extraneous, downsides too. Nonetheless, the fundamentals of the domestic economy remain robust, with a strong external account, calibrated fiscal consolidation and stable private consumption. On balance of these considerations, we expect that the growth in FY 26 would be between 6.3 and 6.8 per cent.

Navigating global headwinds will require strategic and prudent policy management and reinforcing the domestic fundamentals. The Budget 2024-25 laid out a multisectoral policy agenda for sustained growth push. In this context, Chapter 5 elaborates on the need for deregulation and reforms at the grassroots level to improve the overall competitiveness of the economy and to lift trend growth rates, supporting higher levels of economic activity.

Sources: <https://www.indiabudget.gov.in/economicsurvey/>, <https://www.mospi.gov.in/>, <https://www.rbi.org.in/>

## 2. A board overview of Rubber Industry

### Introduction:

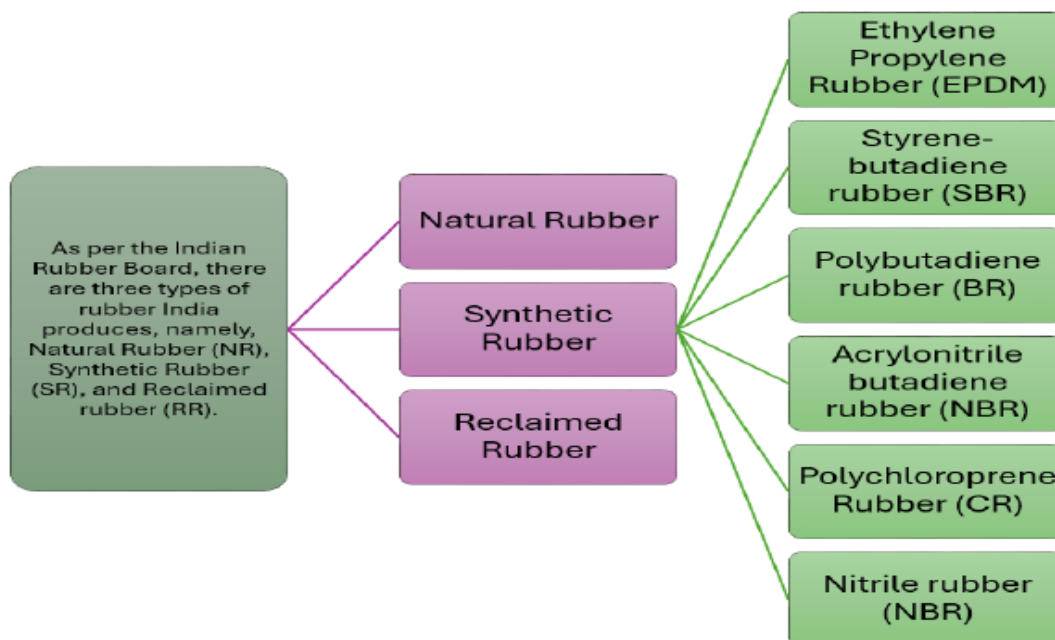
India ranks as the third-largest producer, second-largest consumer of natural rubber (NR), and fourth-largest consumer of gross elastomer in the world. The Indian rubber industry covers approximately 6,000 units, including 30 large-scale, 300 medium-scale, and around 5,600 small-scale/tiny sector enterprises. Together, they manufacture 35,000 rubber products and employ 400,000 individuals, including about 22,000 technically skilled personnel. The rubber industry, with an annual turnover of ₹200 billion and a contribution of ₹40 billion to the National Exchequer through taxes and levies, plays a vital role in India's national economy.



The wide range of rubber products manufactured by the Indian rubber industry comprises all types of heavy duty earth moving tyres. Auto tyres, tubes, automobile parts, footwear, belting, hoses, cycle tyres and tubes, cables and wires, camelback, battery boxes, latex products, pharmaceutical goods, besides molded and extruded goods for mass consumption. The products manufactured also cover hi-tech industrial items. The important areas which the industry caters to include all the three wings of defense, civil, aviation, aeronautics, railways, agriculture, transport as also textile engineering industries, pharmaceuticals, mines, steel plants, ports, family planning programmes, hospitals, sports, practically to every conceivable field.

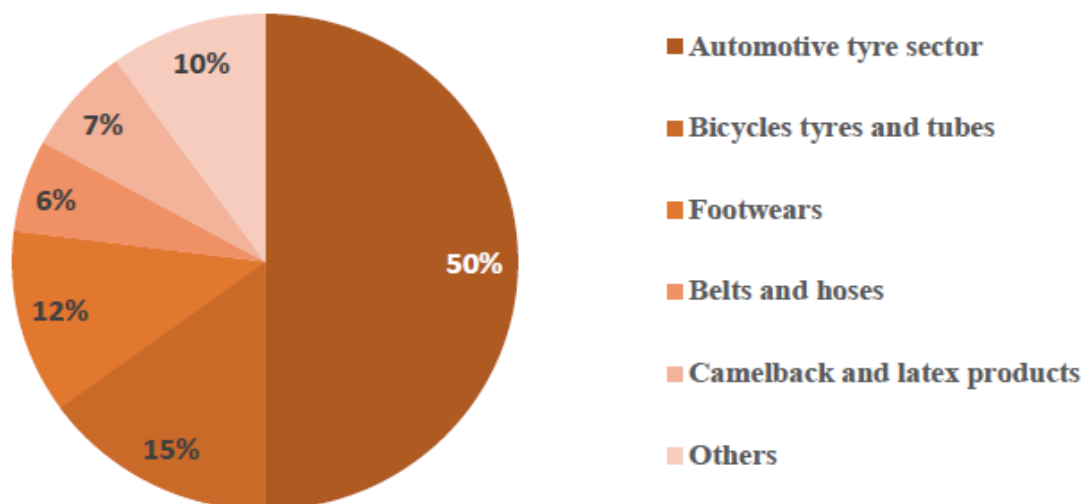
The plantation sector significantly contributes to the industry's growth, with an estimated production of over 631,000 tons of natural rubber and a projected production exceeding one million tons soon, drives the Indian rubber industry's growth. Rubber is produced in several major states in India, including Kerala, Karnataka, Tamil Nadu, and Assam. Kerala plays a pivotal role in this sector, with a total area of 3.84 lakh hectares under rubber cultivation and an annual production of 3.70 lakh tonnes, accounting for over 90% of India's natural rubber production. Of the total area, 92% is represented by small holdings with an average area of around 0.5 hectares. There are about one million growers and 350,000 workers engaged in the rubber sector, with more than 90% based in Kerala. A robust network of intermediate rubber units engaged in rubber compounding, crumb rubber manufacture, etc., exists in the state.

The state also hosts a strong network of intermediate rubber units for compounding and crumb rubber production.



The rubber industry in India is broadly divided into two sectors: tyre and non-tyre. The tyre sector produces all types of auto tyres, both conventional and radial, and exports to advanced countries like the USA, Türkiye, Mexico, Germany, Brazil, Bangladesh, etc. The non-tyre sector, comprising medium, small, and tiny units, produces high-technology and sophisticated industrial products. The small-scale sector accounts for over 50% of production in the non-tyre category. In terms of rubber consumption, the automotive tyre sector is the largest, accounting for about 50% of all rubber consumption, followed by bicycle tyres and tubes (15%), footwear (12%), belts and hoses (6%), camelback and latex products (7%), with all other rubber products collectively accounting for 10%.

**Figure 1: Composition (%) of Rubber Consumption**



**Source:**

<https://www.allindiarubber.net/uploads/pdf/annual-report-2023-24>.

<https://www.dsir.gov.in/rubber#:~:text=Kerala%2C%20with%20a%20total%20area,of%20around%200%2C5%20hectares>.

## 1. Types of Rubber

### ➤ Natural Rubber (NR)

Natural rubber is derived from the latex of rubber trees (*Hevea brasiliensis*). It has excellent elasticity, resilience, and abrasion resistance.

#### Types of Natural Rubber:

- **Ribbed Smoked Sheets (RSS):** Processed by coagulating latex and drying in smokehouses.
- **Technically Specified Rubber (TSR):** Includes block rubber grades such as STR (Thailand), SIR (Indonesia), and SMR (Malaysia).
- **Centrifuged Latex:** Liquid form used for making gloves, adhesives, and coatings.
- **Pale Crepe Rubber:** Light-colored, highly pure rubber used in medical and pharmaceutical applications.

### ➤ Synthetic Rubber (SR)

Synthetic rubber is man-made through chemical processes using petroleum-based monomers. It is designed to offer specific properties, such as heat resistance, oil resistance, and improved durability.

#### Common Types of Synthetic Rubber:

- **Styrene-Butadiene Rubber (SBR):** Used in car tires, conveyor belts, and footwear.
- **Polybutadiene Rubber (BR):** High elasticity and wear resistance, used in tires and golf balls.
- **Nitrile Butadiene Rubber (NBR):** Resistant to oils and fuels, used in hoses, seals, and gloves.
- **Ethylene Propylene Diene Monomer (EPDM):** Weather-resistant, used in roofing, automotive seals, and hoses.
- **Chloroprene Rubber (CR) (Neoprene):** Flame-resistant and weatherproof, used in wetsuits and gaskets.
- **Silicone Rubber (SiR):** Heat-resistant and flexible, used in medical devices and cookware.
- **Fluoroelastomers (FKM) (Viton):** Chemical and heat-resistant, used in aerospace and automotive seals.
- **Polyisoprene Rubber (IR):** Synthetic alternative to natural rubber, used in medical applications.

Each type of rubber has unique properties and applications, making them suitable for various industries such as automotive, aerospace, healthcare, construction, and consumer goods.

### ➤ Reclaimed Rubber

Reclaimed rubber is recycled rubber obtained by processing waste rubber products such as used tires, tubes, and other rubber scraps. It is produced by breaking down vulcanized rubber through thermal, mechanical, and chemical treatments, making it soft and reusable in various applications.

#### Types of Reclaimed Rubber:

1. **Whole Tire Reclaimed Rubber (WTR):** Made from scrap tires; commonly used in tire manufacturing.

2. **Butyl Reclaimed Rubber:** Derived from used butyl tubes, known for its air impermeability; used in inner tubes and adhesives.
3. **EPDM Reclaimed Rubber:** Extracted from EPDM rubber scraps; used in automotive seals, roofing, and hoses.
4. **Natural Reclaimed Rubber:** Made from natural rubber products like latex gloves and tubes; used in footwear and conveyor belts.
5. **Nitrile Reclaimed Rubber:** Comes from nitrile rubber waste; used in oil-resistant applications like seals and gaskets.

### **Recycling Of Rubber**

Rubber recycling refers to the process of converting scrap rubber materials—primarily used tires—into usable products or raw materials. This is essential due to the huge volumes of waste rubber generated globally and the environmental damage caused by improper disposal methods such as burning or dumping. Recycling rubber not only reduces landfill waste but also conserves natural resources and minimizes pollution associated with rubber production. In India, rubber recycling has gained momentum due to the increasing number of vehicles, which in turn results in a massive volume of end-of-life tires each year.

#### **Types of Rubber Recycling:**

##### **1. Mechanical Recycling:**

- Rubber is shredded into small pieces or ground into powder.
- Commonly used for recycled rubber mats, playground surfaces, and asphalt (rubberized asphalt).

##### **2. Devulcanization:**

- Involves breaking the sulfur bonds formed during vulcanization (a process that hardens rubber).
- Makes rubber soft and reusable, allowing it to be remolded or mixed with new rubber.

##### **3. Pyrolysis:**

- Rubber is heated in the absence of oxygen, breaking it down into oil, gas, and carbon black.
- Useful for recovering energy and raw materials.

##### **4. Energy Recovery:**

- Rubber waste is burned in incinerators to generate energy.
- Less sustainable, but better than landfilling.

### **Application of Recycled Rubber**

#### **1. Road Construction (Crumb Rubber Modified Bitumen – CRMB)**

One of the largest and most impactful uses of recycled rubber in India is in road construction. Crumb rubber, obtained by grinding old tires, is mixed with bitumen to produce Crumb Rubber Modified Bitumen (CRMB). This enhances the elasticity and strength of the roads, making them more resistant to cracking, potholes, and weathering. According to the Indian Roads Congress (IRC), using CRMB improves the durability and performance of highways, especially in regions with high traffic and extreme climates. Despite its benefits, adoption remains inconsistent, largely due to resistance from contractors and lack of enforcement.

## **2. Playgrounds and Sports Surfaces**

Recycled rubber is extensively used in creating safe and durable surfaces for playgrounds, gyms, and sports tracks. The rubber is molded into tiles or poured-in-place surfaces that provide excellent cushioning, reducing the risk of injuries from falls. This is particularly important for children's play areas and athletic facilities, where safety and shock absorption are critical. The demand for such materials is growing in urban centers and schools, fueled by government and private initiatives to improve sports infrastructure.

## **3. Rubber Mats and Flooring**

Rubber mats made from recycled rubber are used in factories, gyms, stables, homes, and vehicles. These mats are valued for their anti-slip, shock-absorbing, and noise-reducing properties. In industrial settings, they also serve as insulators and help reduce worker fatigue by providing a softer standing surface. Recycled rubber flooring is also used in public transport buses, hospitals, and railway stations where durability and easy maintenance are essential.

## **4. Footwear Industry**

The footwear industry in India, especially in the informal and eco-friendly segments, uses recycled rubber to manufacture soles for sandals, shoes, and slippers. Recycled rubber soles are durable, cost-effective, and water-resistant. Some brands promote recycled rubber shoes as part of sustainable fashion, targeting eco-conscious consumers. These products also reduce dependency on virgin rubber and synthetic alternatives derived from petroleum.

## **5. Garden and Landscaping Mulch**

Crumb rubber is used as rubber mulch in landscaping and gardening. Unlike traditional wood mulch, rubber mulch does not decompose easily, retains moisture, and helps control weed growth. It is often used in parks, public gardens, and urban green projects. Additionally, rubber mulch is available in various colors and sizes, making it aesthetically appealing for decorative uses.

## **6. Construction and Insulation Materials**

Recycled rubber is being used in the production of soundproofing and thermal insulation materials. Rubber sheets and pads are applied in walls, ceilings, and floors to dampen noise and vibrations, particularly in residential buildings, studios, and factories. It also acts as a thermal insulator, making buildings more energy-efficient. This application is gaining popularity as India sees a rise in green building and LEED-certified projects.

## **7. Automotive Parts and Accessories**

Several automotive components like mud flaps, floor liners, pedals, gaskets, bumpers, and door seals are now being made from recycled rubber. This not only helps reduce manufacturing costs but also supports sustainability goals within the automotive industry. Recycled rubber can withstand heat, friction, and pressure, making it ideal for such components.

## **8. Railway Applications**

Indian Railways has been experimenting with rubber pads and blocks made from recycled tires in rail track systems. These components help reduce vibration and wear on tracks and enhance safety. There are also uses in anti-vibration pads and insulating materials used in coaches and undercarriages.

## **9. Tyre-Derived Fuel (TDF)**

In industries like cement kilns and power plants, shredded rubber is used as a substitute for coal and other fossil fuels. Known as Tyre-Derived Fuel (TDF), this method extracts energy from waste rubber while reducing reliance on non-renewable sources. However, this method must be carefully regulated to control emissions and avoid pollution.

## 10. Rail Crossing Pads and Road Bumpers

Rubber from tires is used in speed breakers, road bumpers, and railway crossing pads due to its durability and flexibility. These rubber components offer better impact absorption and require less maintenance compared to traditional materials like concrete or plastic.

### Why recycled rubber makes sense?

- **ECONOMICS**
- **SUSTAINABILITY**
- **RESOURCE SAVING**
- **REDUCING CO2 EMISSION**

Micronized & Reclaimed (devulcanized) rubber cost is much lower than virgin rubber and improves economics of the compound & end product without sacrificing product performance at judicious levels of usage. It has been discussed in the earlier section how micronized & reclaimed rubber are the foremost environmentally and economically sustainable solution for recycling of huge stockpiles of waste tires. Given below are representative production energy consumption figures for various types of rubbers with Reclaimed rubber (RR) production using the least energy. Also reclaimed rubber production has the lowest carbon footprint with least emission of CO<sub>2</sub>.

Energy Consumption (Giga Joules per metric ton)

Butyl Rubber (190) > SBR (145) > BR (110) > Natural Rubber (15) > RR (2.1)

### Micronized rubber uses even less energy than Reclaimed (Devulcanized) Rubber

Pollution due to CO<sub>2</sub> equivalent (in kg) per metric ton of rubber produced

|                  |      |
|------------------|------|
| Natural Rubber   | 4351 |
| SBR              | 3409 |
| Reclaimed Rubber | 97   |

### Government Regulations and Support

The Indian government has initiated measures to support rubber recycling:

- **Extended Producer Responsibility (EPR):** Policies are being developed to hold manufacturers accountable for the entire lifecycle of their products, including disposal.
- **Standard Operating Procedures (SOPs):** The Central Pollution Control Board (CPCB) has issued SOPs for the recycling of waste tires to ensure environmentally sound practices.
- **Use of Modified Bitumen:** The IRC has provided guidelines encouraging the use of crumb rubber modified bitumen in road construction to improve pavement performance and promote recycling.

### Future Outlook and Business Opportunities

The future of rubber recycling in India appears promising, driven by:

- **Growing Automotive Sector:** An increase in vehicle ownership will lead to more tire waste, necessitating efficient recycling solutions.
- **Infrastructure Development:** Government initiatives focusing on infrastructure offer opportunities for the use of recycled rubber in construction.
- **Environmental Awareness:** Rising consciousness about sustainability is likely to boost demand for recycled rubber products.
- **Technological Advancements:** Innovations in recycling technologies can enhance efficiency and product quality, opening new avenues for business.



## 5. Global Market Scenario:

### Market Size

As of 2024, the global rubber market has shown steady growth, with various sources reporting different valuations. According to Precedence Research, the market size stood at approximately USD 48.27 billion in 2024 and is projected to reach around USD 79.38 billion by 2034, exhibiting a CAGR of 5.1%. Meanwhile, IMARC Group estimated the market at USD 47.5 billion in 2024, forecasting it to reach USD 69.7 billion by 2033, with a CAGR of 4.4%. Business Research Insights provided a higher valuation, stating the market was worth USD 59.09 billion in 2024 and is expected to reach USD 118.11 billion by 2033, reflecting a CAGR of 8%. These variations arise from differences in methodologies, market definitions, and data sources, but all reports indicate a positive growth trajectory. The key drivers include rising demand from the automotive sector, where rubber is extensively used in tire manufacturing, as well as increasing industrial applications such as hoses, belts, and gaskets. Additionally, advancements in synthetic rubber technology have expanded its use across various industries. The Asia-Pacific region remains the dominant player in the market due to significant tire production and widespread manufacturing activities. However, adverse weather conditions in key rubber-producing countries like Thailand and China have impacted natural rubber output, leading to price surges. Despite these challenges, the market is expected to grow consistently, fueled by robust demand and ongoing innovations in rubber manufacturing.

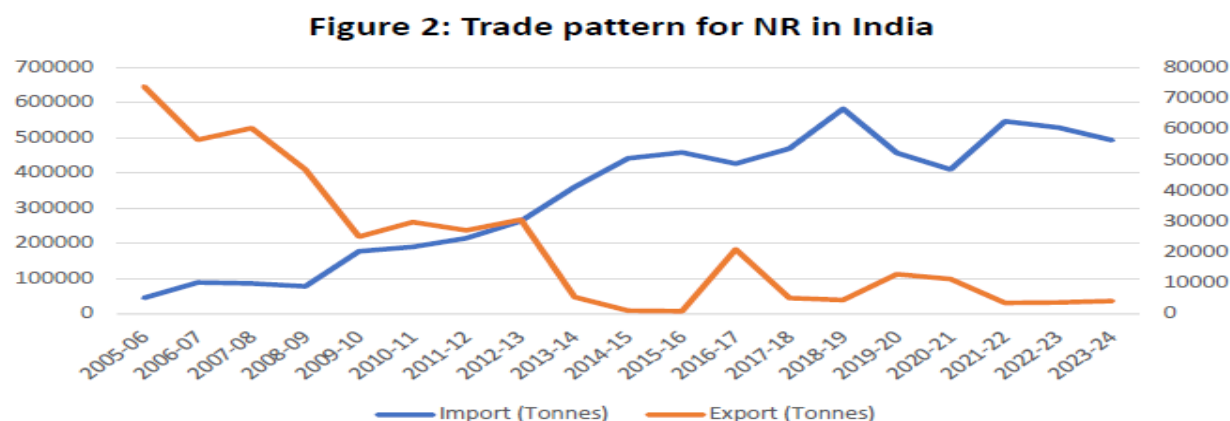
Further, the global rubber industry in 2024 was characterized by significant supply challenges due to adverse weather conditions in key producing countries, leading to increased prices and market volatility. Adverse weather conditions, including excessive monsoon rains in Thailand and typhoon damage in China, led to a forecasted 4.5 per cent decrease in global NR production, bringing it down to approximately 14 million metric tons. This reduction contributed to a 50 per cent surge in rubber prices, reaching a 13-year high. This 50 per cent surge in rubber prices enabled Indian exporters to command better prices for their rubber products, boosting export earnings.

The Association of Natural Rubber Producing Countries (ANRPC) forecasted that in 2024, the global NR supply is expected to be 0.88 million tons short of consumption demand. Global rubber output was estimated to reach nearly 14.4 million tons, up 3.2 per cent compared to 2023, while consumption demand reached 15.24 million tons, up 0.4 per cent.

Shri. R. Mukhopadhyay, Chairman of the Indian Rubber Institute stressed at Rubbercon 2024 in Kochi, “despite global challenges, India is positioning itself to become a leading supplier of rubber products by 2030, with per capita consumption expected to rise from the current 1.3 kg to 2.5 kg. The country's total rubber consumption is projected to double from 1.8 million tonnes to 3.6 million tonnes by 2030.”

The predominant method of rubber production worldwide involves smallholder farming, typically in monoculture systems, modified forests (agroforests), or intentionally planned mixed-crop systems. The NR production sustains about 40 million people globally, while around 90 per cent of its production comes from the work of smallholders.

### Trade



According to the data published by the Rubber Board of India, the country imported 74,341 tonnes of NR during September 2024 making the total volume of NR import during April to September 2024 at 318,042 tonnes as against 254,487 tonnes imported during the last year. India exported 206 tonnes of NR during September 2024 and the total volume of NR exported during April to September 2024 was 1701 tonnes compared to 1691 tonnes exported during the same period in the previous year. A total stock of 339,000 tonnes of NR was estimated to have held with growers, traders, processors, and consumers in the country at the end of September 2024. Recently, the gap between rubber imports and exports got reduced due to higher export revenues and lower import volumes (see figure above). Europe and the US emerged as significant markets for Indian rubber goods due to trade diversification efforts and competitive pricing. India's FTA agreements with countries like the UAE and the Australia further boosted export opportunities.

Source: <https://www.infomerics.com/admin/uploads/rubber-industry2025.pdf>

## 6. Rubber: Domestic Market

India has a strong and well-developed rubber industry, with a solid foundation in NR production and a rapidly growing manufacturing and consumption segment for rubber products. Rubber has consistently grown over the years due to its diverse applications in both tyre and non-tyre sectors and is recognized as one of the world's essential natural resources. This growth is further driven by rising demand from industries, such as automotive, construction, healthcare, and consumer goods, where rubber's durability and adaptability play a key role.

### Natural Rubber

India's NR production has grown 8.6 per cent from 7.89 lakh ton in FY 21-22 to 8.57 lakh ton in FY 23-24 with the industry estimating it will hit 8.82 lakh ton in FY 24-25.

| Table 1: Type-wise Production of Natural Rubber (tonnes) |              |              |                   |                   |                          |
|----------------------------------------------------------|--------------|--------------|-------------------|-------------------|--------------------------|
| Types                                                    | Sept-24      | Sept-23      | April - Sept 2024 | April - Sept 2023 | April 2023 to March 2024 |
| <b>Ribbed Smoked Sheet (RSS)</b>                         | 52640        | 47540        | 220300            | 217670            | 542175                   |
| <b>Solid Block Rubber</b>                                | 14250        | 16400        | 82925             | 82820             | 190920                   |
| <b>Latex Concentrates (drc)</b>                          | 9100         | 9070         | 48700             | 45620             | 101895                   |
| <b>Others</b>                                            | 2010         | 1990         | 9075              | 9890              | 22010                    |
| <b>Total</b>                                             | <b>78000</b> | <b>75000</b> | <b>361000</b>     | <b>356000</b>     | <b>857000</b>            |

India produced 78,000 tonnes of NR during September 2024 compared to 75,000 tonnes produced during the same month a year ago. The total quantity of NR produced during April to September 2024 was 361,000 tonnes, an increase of 1.4 per cent from the quantity 356,000 tonnes produced during the same period in the previous year. The production preliminarily estimated for October 2024 is 87,000 tonnes.

| Table 2: Consumption of NR (tonnes) |               |               |                   |                   |                          |
|-------------------------------------|---------------|---------------|-------------------|-------------------|--------------------------|
| Types                               | Sept-24       | Sept-23       | April - Sept 2024 | April - Sept 2023 | April 2023 to March 2024 |
| <b>Ribbed Smoked Sheet (RSS)</b>    | 47250         | 47510         | 291400            | 281075            | 589345                   |
| <b>Solid Block Rubber</b>           | 56100         | 61300         | 350350            | 367550            | 684010                   |
| <b>Latex Concentrates (drc)</b>     | 7800          | 8975          | 47500             | 52385             | 108405                   |
| <b>Others</b>                       | 2850          | 3215          | 15750             | 16990             | 34240                    |
| <b>Total</b>                        | <b>114000</b> | <b>121000</b> | <b>705000</b>     | <b>718000</b>     | <b>1416000</b>           |

The rubber goods manufacturing industry consumed 114,000 tonnes of NR during September 2024 compared to 112,000 tonnes of NR consumed during August 2024. The total quantity of NR consumed during the period April to September 2024 decreased by 1.8 per cent to 705,000 tonnes compared to 718,000 tonnes consumed during the same period last year. This represents a 1.3 per cent increase in the auto tyre sector and an 8.3 per cent decrease in the general rubber goods sector. According to the preliminary estimate, the country consumed 112,000 tonnes of NR during October 2024. Currently, India's annual NR consumption is approximately 14.16 lakh tonnes and is projected to increase by 5 per cent, reaching around 14.86 lakh tonnes by the end of FY 2024–25. As forecasted by the IRSG, the world rubber consumption is expected to reach 35.55 million tons by 2031, and NR and synthetic rubber demand are expected to be 17.37 and 18.17 million tons, respectively.

### Snapshot

- India imported 318,042 tonnes and exported 1,701 tonnes of NR during April-September 2024, with a total stock of 339,000 tonnes by September-end. India's rubber trade gap narrowed due to higher export revenues, lower imports, trade diversification, and FTAs with the UAE and Australia.
- India's NR production has grown 8.6 per cent from 7.89 lakh ton in FY21-22 to 8.57 lakh ton in FY23-24 with the industry estimating it will hit 8.82 lakh ton in FY24-25. India's NR production reached 361,000 tonnes during April-September 2024, a 1.4% increase YoY, with October 2024 estimates at 87,000 tonnes.
- India consumed 705,000 tonnes of NR during April-September 2024, down 1.8% YoY, with a 1.3% rise in the auto tyre sector and an 8.3% drop in general rubber goods; annual NR consumption is projected to grow 5% to 14.86 lakh tonnes by FY 2024–25.
- Despite soaring NR demand in 2024, productivity struggles due to climate change, with extended monsoons reducing tapping days and latex output; yield dropped from 1879 kg/ha in 2006-07 to 1485 kg/ha in 2023-24, increasing reliance on imports.
- India's SR production rose 3.2% YoY to 274,338 tonnes in April-September 2024, while consumption increased 10.5% to 428,600 tonnes; SR prices remain sensitive to crude oil trends and currency fluctuations.
- Kerala's RSS market now faces competition from low-cost northeast India RSS instead of imports, driving prices down, as major tyre manufacturers shift sourcing for cost advantages. NR prices peaked at ₹247/kg on August 9, 2024, before dropping 19% to ₹200/kg, with imported NR at ₹200/kg and domestic NR at ₹210–220/kg; import duty impact is ₹50/kg.
- Tyre manufacturers expect cost relief in H2 FY25, as the domestic-international NR price gap widened to ₹50/kg, making price negotiations with global clients challenging.
- The Rubber Board of India stresses expanding rubber cultivation to meet the 15-lakh tonnes NR demand by 2025-26, as imports strain forex; despite an area increase to 8.5 lakh hectares in FY23, yield growth remains stagnant.
- Tyre industry revenue is set to grow 7-8% in FY25, driven by a 3-4% rise in realizations and volume, despite margin pressures from a 40% rise in NR prices; tyre production is expected to grow 3.4%, with strong OEM and replacement demand.
- The Union Budget 2025-26 increased Plantation Commodity Boards' allocation to ₹1,565 crore, but the Rubber Board's budget saw only a modest 3.4% rise to ₹360.31 crore, indicating a focus on sustaining existing initiatives rather than expansion.

### **Price Outlook**

In India, around 70 per cent of the total production of NR is processed and traded in the form of RSS. “RSS4 at Kottayam” is India's benchmark reference price for NR. Over the past decade, Indian auto tyre companies have largely

shifted from Ribbed Smoked Sheets (RSS) - based to Technically Specified Rubber (TSR) - based manufacturing. But SR and NR are not easily substitutable. There is usually a pre-defined ratio between the usage of NR and SR in tyre production depending on the usage and end-use application.

Previously, they compared domestic and imported RSS costs for sourcing NR, but this practice has changed. Now, domestic RSS is considered only if it is more economical than imported TSR, as TSR prices are significantly lower than RSS. This shift has rendered the Kottayam RSS market almost insensitive to the Bangkok RSS market. As far as the RSS is concerned, major auto tyre manufacturers are now sourcing RSS from northeast India to their Kerala factories due to significant cost advantages. As a result, the Kerala RSS market faces competition not from imports but from low-cost domestic RSS from the northeast. This influx is driving down RSS prices in Kerala, a trend expected to persist.<sup>9</sup> Rubber farmers in the State of Kerala will be ultimately left with no option but selling the produce at prices matching with those prevailing at Agartala.

| Table 3: PRICE OF NATURAL RUBBER (₹ per 100 Kg) |      |          |       |               |                 |               |          |               |
|-------------------------------------------------|------|----------|-------|---------------|-----------------|---------------|----------|---------------|
| Month/year                                      |      | RSS 5    | RSS 4 | RSS 3         | Latex (60% drc) |               | ISNR 20  | SMR 20        |
|                                                 |      | Domestic |       | International | Domestic        | International | Domestic | International |
| October                                         | 2023 | 14667    | 14992 | 13893         | 19170           | 15800         | 13430    | 12089         |
| November                                        | "    | 15125    | 15352 | 14193         | 18600           | 16530         | 13698    | 12363         |
| December                                        | "    | 14900    | 15198 | 14431         | 17973           | 16277         | 13348    | 12186         |
| January                                         | 2024 | 15538    | 15913 | 16247         | 19185           | 17610         | 13868    | 12817         |
| February                                        | "    | 16126    | 16518 | 18285         | 20173           | 20137         | 14448    | 12997         |
| March                                           | "    | 17288    | 17734 | 21239         | 21285           | 22057         | 15353    | 13713         |
| April                                           | "    | 17929    | 18229 | 19826         | 21645           | 21722         | 15878    | 13594         |
| May                                             | "    | 18011    | 18311 | 19370         | 22117           | 22222         | 15546    | 14180         |
| June                                            | "    | 19721    | 20067 | 19388         | 23642           | 23260         | 17158    | 14691         |
| July                                            | "    | 20746    | 21065 | 17353         | 27055           | 19562         | 19250    | 14097         |
| August                                          | "    | 23308    | 23754 | 20994         | 27005           | 20408         | 22276    | 15091         |
| September                                       | "    | 22616    | 22924 | 23510         | 23255           | 22663         | 20381    | 16426         |
| October                                         | "    | 19433    | 19808 | 22436         | 21998           | 24768         | 17900    | 17395         |
| November                                        | "    | 18135    | 18485 | 19616         | 20687           | 22030         | 17710    | 16673         |

**Note:** RSS - Ribbed Smoked Sheets grade 4 and 5 traded in the domestic market (Kottayam market) of Natural Rubber; Latex (60% drc) - Processing of NR latex into high-quality latex concentrate of 60% dry rubber content is done through centrifugation (CENEX); ISNR - Indian Standard Natural Rubber (ISNR) / Block Rubber

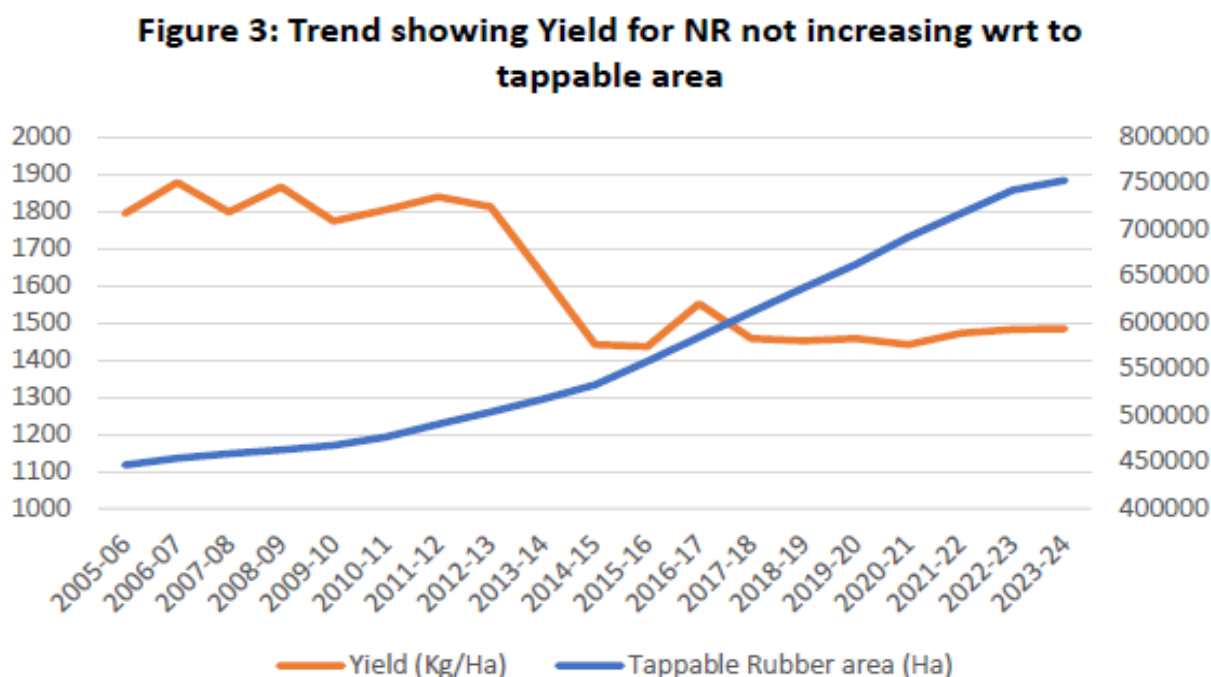
The NR prices peaked at ₹247 per kg on August 9, 2024, before declining by 19 per cent to ₹200 per kg. The last time the commodity breached the ₹200 per kg mark was in 2011, propelled by demand recovery after the Global Financial Crisis, aided by the accommodative stance of the US Federal Reserve and other central banks. Mr. Shashi Singh, president, All India Rubber Industry Association (AIRIA), said, “While imported NR costs around ₹200 per kg, domestic is currently at ₹210 to ₹220 per kg which had, during the monsoon season, gone up to ₹245 per kg. There is a 25 per cent customs duty or ₹30 per kg (whichever is higher) on imported NR which costs around ₹200 per kg so the duty impact is ₹50.”

Mr Arnab Banerjee, MD and CEO of CEAT Ltd., highlighted that domestic NR prices soared to a 15-year high of approximately ₹250 per kg during the first half of the fiscal year. Tyre manufacturers anticipate some relief from the high raw material costs in the second half of the fiscal year, following the significant impact of these elevated prices. He further added, “Typically, domestic, and international NR prices move in tandem, with a difference of ₹5 to ₹10 per kg. However, this time, the gap between domestic and international prices widened significantly, reaching as much as ₹50 per kg.” This mismatch between the international rubber prices and the domestic rubber prices made it challenging for companies to justify and negotiate higher product prices with their international clients.

#### Area and yield of Natural Rubber in India

| Year     | Rubber area (Ha) | Tappable Rubber area (Ha) | Production (tonnes) | Average Yield(kg/ha) |
|----------|------------------|---------------------------|---------------------|----------------------|
| 2017-18  | 8,20,900         | 6,12,000                  | 6,94,000            | 1,458                |
| 2018-19  | 8,22,000         | 6,37,900                  | 6,51,000            | 1,453                |
| 2019-20  | 8,22,300         | 6,63,700                  | 7,12,000            | 1,459                |
| 2020-21  | 8,23,000         | 6,92,900                  | 7,15,000            | 1,442                |
| 2021-22  | 8,26,660         | 7,18,300                  | 7,75,000            | 1,472                |
| 2022-23  | 8,50,000         | 7,43,650                  | 8,39,000            | 1,482                |
| 2023-24p | 8,88,400         | 7,53,885                  | 8.57,000            | 1,485                |

The Rubber Board of India has clearly brought out the urgent need to increase the area under rubber cultivation to meet the demand of 15 lakh tonnes of NR by 2025-26. Total NR demand in the country rose significantly by 9 per cent during FY 23 compared to FY 22. India is largely dependent on the imports of NR, which heavily strains the foreign exchange. The area under rubber cultivation increased from 8,20,900 hectares in FY18 to 850,000 hectares in FY 23. But the yield has still not increased much in the past decade (see figure below).

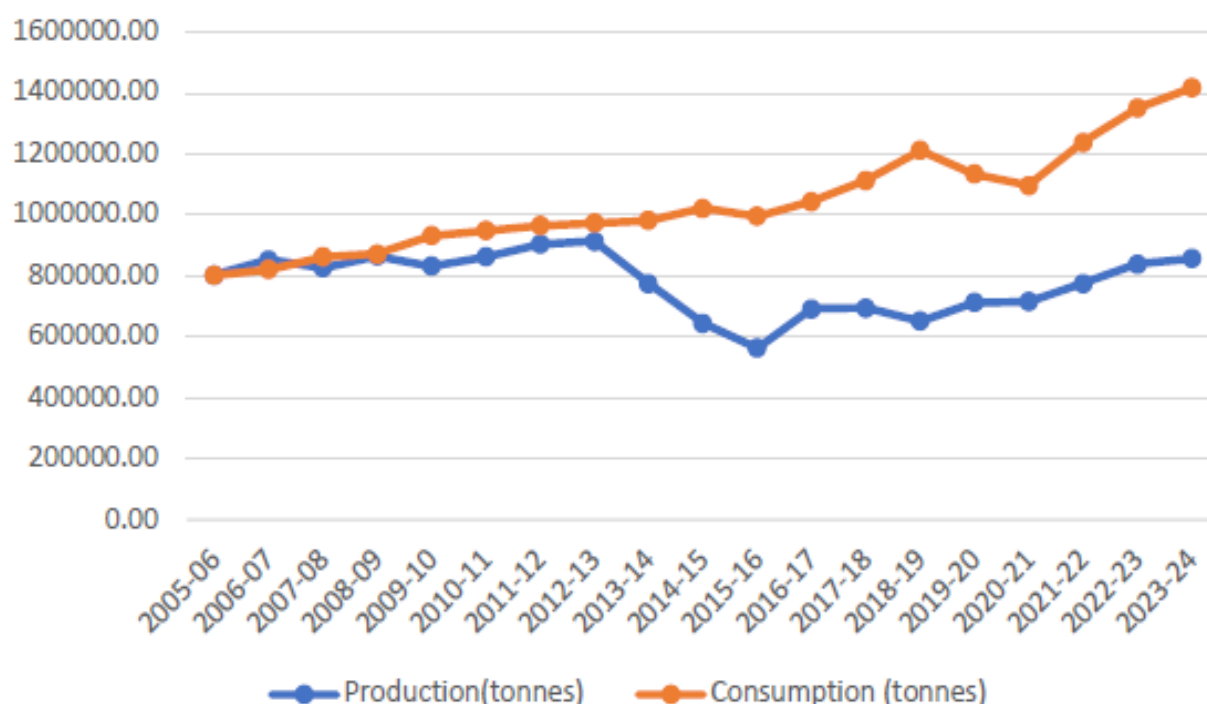




## Demand Supply Gap

While the demand for rubber soared high in 2024, it still faced issues in terms of productivity. This is mainly because of climate change. Traditionally predictable monsoons allowed plantation owners to manage rubber tree productivity effectively. Now, Kerala experiences almost continuous rainfall for 6–8 months, reducing rubber tapping days, lowering latex output, and causing faster deterioration of plastic rain guards.

**Figure 4: Demand supply Gap**



The disparity between the production and consumption of NR has increased considerably. While some relief is anticipated in the near future as the gap is expected to stabilize in the years to come. In the first two quarters of FY 25, the prices of NR increased by ~34 per cent YoY. The average yield of NR has declined for the past decade and a half. It was trending at 1879 kg/ha (kilogram per hectare) in 2006-07, which came down to 1485 kg/ha in 2023-24 (p). To address this supply gap, tyre makers rely more on imports than domestic production.

## INROAD (Indian Natural Rubber Operations for Assisted Development)

The INROAD project aims to develop 2,00,000 hectares of rubber plantations in Northeast India and West Bengal, funded by ATMA members Apollo, Ceat, JK, and MRF, and implemented by the Rubber Board of India. Benefiting 2.5 lakh people, the project is expected to boost the region's share of India's NR plantation area from 23 per cent to 38 per cent and its NR production share from 16 per cent to 32 per cent.

There has been a remarkable increase in rubber production from Northeast states from FY 18 with Tripura leading the way. There has also been a significant rise in rubber production from Assam, Nagaland, and Meghalaya. Tripura is the second-largest rubber-producing state in India, after Kerala, which is why a regional office of the Rubber Board has been established in Kerala. One of India's largest and oldest rubber plantation company, which is jointly owned by the RPG and RP-Sanjiv Goenka groups, i.e., Harrisons Malayalam Ltd., is in Kerala. The plantation in the North-East under the project INROAD (Indian Natural Rubber Operations for Assisted Development) for FY 25 stands

completed. In the first four years of the project an area of 125272 hectares (ha) has been covered under new NR plantations across 94 districts in North-East and parts of West Bengal.

In India, approximately 75 per cent of the rubber cultivation area is concentrated in Kerala and Tamil Nadu's Kanyakumari district. The northeastern states account for about 15 per cent, with Tripura leading the region at 9 per cent. The remaining cultivation is spread across other South Indian states.

After the North-East, the Konkan belt in Maharashtra is poised to become the next major hub for NR production, thanks to its favorable climate and soil conditions. The area dedicated to NR cultivation in Maharashtra steadily increased, growing from 2,090 hectares in 2013-14 to 2,740 hectares in 2021-22. Despite the growth, Maharashtra lacks state-specific subsidies like those available in Kerala<sup>12</sup>. Hopefully, this expansion will reduce the supply gap for the NR.

## Synthetic Rubber

| <b>Table 5: Type-wise Production of Synthetic Rubber (tonnes)</b> |                |                |                         |                          |                                 |
|-------------------------------------------------------------------|----------------|----------------|-------------------------|--------------------------|---------------------------------|
| <b>Types</b>                                                      | <b>Sept-24</b> | <b>Sept-23</b> | <b>April -Sept 2024</b> | <b>April - Sept 2023</b> | <b>April 2023 to March 2024</b> |
| <b>Styrene Butadiene (SBR)</b>                                    | 25660          | 25600          | 151289                  | 150957                   | 298729                          |
| <b>Poly Butadiene (BR)</b>                                        | 11500          | 11000          | 65820                   | 68000                    | 134375                          |
| <b>Other SR</b>                                                   | 8235           | 8600           | 66117                   | 55381                    | 113461                          |
| <b>Total</b>                                                      | <b>45395</b>   | <b>45200</b>   | <b>283226</b>           | <b>274338</b>            | <b>546565</b>                   |

The domestic Synthetic Rubber (SR) production was 45,395 tonnes during September 2024 and the total production of SR from April to September 2024 was 274,338 tonnes increased by 3.2 per cent year on year (YoY).

| <b>Table 6: Consumption of Synthetic Rubber (tonnes)</b> |                |                |                         |                          |                                 |
|----------------------------------------------------------|----------------|----------------|-------------------------|--------------------------|---------------------------------|
| <b>Types</b>                                             | <b>Sept-24</b> | <b>Sept-23</b> | <b>April -Sept 2024</b> | <b>April - Sept 2023</b> | <b>April 2023 to March 2024</b> |
| <b>Styrene Butadiene (SBR)</b>                           | 33500          | 32500          | 206980                  | 190905                   | 390330                          |
| <b>Poly Butadiene (BR)</b>                               | 21500          | 20750          | 133200                  | 120040                   | 245370                          |
| <b>Other SR</b>                                          | 14700          | 12650          | 88420                   | 76855                    | 148365                          |
| <b>Total</b>                                             | <b>69700</b>   | <b>65900</b>   | <b>428600</b>           | <b>387800</b>            | <b>784065</b>                   |

A quantity of 69,700 tonnes of SR was estimated to have been consumed in the country during September 2024. The total SR consumption during April to September 2024 was 428,600 tonnes, an increase of 10.5 per cent from 387,800 tonnes consumed during the same period a year ago.

Crude oil prices play a critical role in determining synthetic rubber prices, as synthetic rubber is derived from petrochemical feedstocks like styrene and butadiene, which are by-products of crude oil refining. If crude oil prices rise, the production costs for these feedstocks increase, leading to higher synthetic rubber prices. Conversely, a decline in crude oil prices can reduce synthetic rubber costs. In the coming months, fluctuations in global crude oil prices, driven by factors such as geopolitical tensions, OPEC production decisions, and global demand trends, will likely have a direct impact on synthetic rubber prices in India. Additionally, the value of the Indian rupee against the US dollar could further influence costs, as crude oil and its derivatives are traded internationally in dollars.



## 7. Tyre Market Size and Overview

### Global Tire Market

The Global tire market was valued at USD 279.80 billion in 2024 and is estimated to reach USD 447.08 billion by 2030, growing with a CAGR of 8.2% by value in the forecast years. The global tire market has experienced significant growth driven by the rising demand for vehicles and increasing urbanization. The automotive industry continues to expand, pushing the need for high-performance tires across various vehicle segments, including passenger cars, commercial vehicles, and electric vehicles. Technological advancements in tire manufacturing have also played a crucial role, as innovations such as run-flat tires, eco-friendly tires, and smart tires have attracted consumers looking for both safety and sustainability. The adoption of electric vehicles (EVs) has further influenced tire production, with manufacturers focusing on designing tires optimized for energy efficiency and reduced rolling resistance. According to the International Organization of Motor Vehicle Manufacturers (OICA), countries like Canada, Germany, the United Kingdom, and others witnessed significant growth in vehicle production capacity in 2023. This included total vehicle production capacities of 1,553,026, 4,109,371, and 1,025,474, reflecting percentage changes of 26%, 18%, and 17% from the previous year, respectively.

Consumer preference for enhanced vehicle performance, fuel efficiency, and safety is another key factor fueling market growth. Tires that offer better traction, handling, and longer life span are becoming highly sought after. Manufacturers are responding to these demands by developing products using advanced materials such as silica compounds and synthetic rubber, which improve fuel efficiency and reduce tire wear. Environmental concerns are also driving demand for tires made from sustainable materials, such as bio-based rubbers, which are expected to contribute to a greener future for the tire industry. Furthermore, the trend toward digitalization has led to the introduction of tire pressure monitoring systems and connected technologies, offering consumers greater control over their tire's performance.

Despite the positive growth, the tire market faces several challenges. The fluctuation in raw material prices, particularly natural rubber, synthetic rubber, and steel, continues to impact the profitability of manufacturers. Supply chain disruptions and the rising costs of production are additional hurdles. Furthermore, increased environmental regulations are compelling manufacturers to innovate, which requires significant investments in research and development. Competing with the rising popularity of ride-sharing services and autonomous vehicles, which could reduce the overall demand for new tires, presents another challenge for tire producers. Manufacturers must continue to focus on innovation, sustainability, and cost-effectiveness to remain competitive in an ever-evolving marketplace.

### Market Drivers

#### Increasing Vehicle Production and Sales

The demand for tires is closely linked to the global growth in vehicle production. As more vehicles are manufactured, the need for replacement tires rises significantly. The surge in automotive sales, driven by both emerging markets and the growing middle-class population, contributes to this increase. New vehicle models often require specific tire types, further driving the demand for specialized tires, especially in segments like luxury, electric, and electric vehicles (EVs). This consistent production volume keeps the tire market expanding, offering opportunities for manufacturers to develop products tailored to various market needs. For instance, global vehicle sales reached 92.4 million units in 2023, marking a 10.8% increase from 2022. The strong sales growth, bolstered by an 11% rise in December, signals increasing demand and production. The continuous upward trend in global vehicle sales reflects robust recovery and heightened consumer demand across key markets, including North America, Europe, and Asia. This surge highlights the automotive industry's resilience and adaptability, indicating a promising outlook for the sector.

#### Technological Advancements in Tires

Innovations such as self-healing tires, airless tires, and smart tires equipped with sensors are changing the landscape of tire manufacturing. These technologies enhance performance, longevity, and safety, pushing the demand for

advanced tire solutions. Consumers now seek tires that can adapt to road conditions, optimize fuel efficiency, and provide real-time data on tire health. With these breakthroughs, the market sees an influx of high-tech, value-added tires that cater to both consumers and manufacturers looking to reduce maintenance costs and improve driving experiences.

Environmental concerns and the need to reduce carbon footprints have placed a spotlight on tire manufacturing processes. Tires that reduce rolling resistance not only improve fuel efficiency but also contribute to lowering greenhouse gas emissions. Manufacturers are responding by producing more eco-friendly tires using sustainable materials such as natural rubber, recycled materials, and bio-based compounds. As governments enforce stricter environmental regulations, the trend toward sustainable tire production gains momentum, which, in turn, drives market growth in the eco-conscious consumer segment.

### **Urbanization and Changing Consumer Lifestyles**

As cities continue to grow, more people are adopting vehicles, particularly in developing regions. Increased urbanization leads to higher demand for both private and shared transportation, which in turn drives the tire market. Urban consumers also look for durable and low-maintenance tires that can withstand the often unpredictable road conditions associated with city living. Furthermore, as more consumers shift towards electric and hybrid vehicles, tire manufacturers are developing specialized tires suited to these innovative vehicles, boosting the market demand in urbanized settings.

### **Rise in E-commerce and Online Tire Sales**

E-commerce is reshaping how consumers purchase tires. The convenience of buying tires online, along with competitive pricing, has attracted many to make purchases through digital platforms. This shift allows consumers to browse through a wide range of options, compare prices, and have tires delivered to their doorstep or even installed at home. The growth of online retailing has expanded the customer base for tire manufacturers, enabling them to target more diverse consumer segments globally, further accelerating market growth.

## **Key Market Trends**

### **Growth of Electric and Autonomous Vehicles**

The rise of electric and autonomous vehicles (EVs) is a major trend influencing the tire market. Tires for electric vehicles require unique specifications, such as low rolling resistance to improve energy efficiency, enhanced durability for longer lifespan, and quieter operations. Similarly, autonomous vehicles demand tires that can withstand varying road conditions and provide real-time data for vehicle safety systems. As the adoption of EVs and autonomous cars increases, tire manufacturers are focusing on developing specialized tire technologies tailored for these new forms of transportation.

### **Integration of Smart Tires and Sensors**

Smart tires equipped with sensors that monitor tire pressure, temperature, wear, and road conditions are becoming increasingly popular. These technologies enhance safety by providing real-time data, alerting drivers to potential issues before they become critical. The integration of smart tires in the Internet of Things (IoT) ecosystem allows consumers to track tire health and make informed decisions regarding tire maintenance or replacement. As consumers and businesses alike demand enhanced tire performance and connectivity, the smart tire market is expected to grow rapidly, spurring innovations in the industry.

### **Sustainability and Eco-friendly Products**

Sustainability continues to be a dominant trend in the tire industry, with both consumers and regulatory bodies demanding greener products. Manufacturers are developing eco-friendly tires using renewable materials like bio-based rubber, recyclable compounds, and low-energy production processes. In addition, tire recycling programs and efforts to reduce waste through tire retreading and reusing materials are gaining momentum. This growing focus on

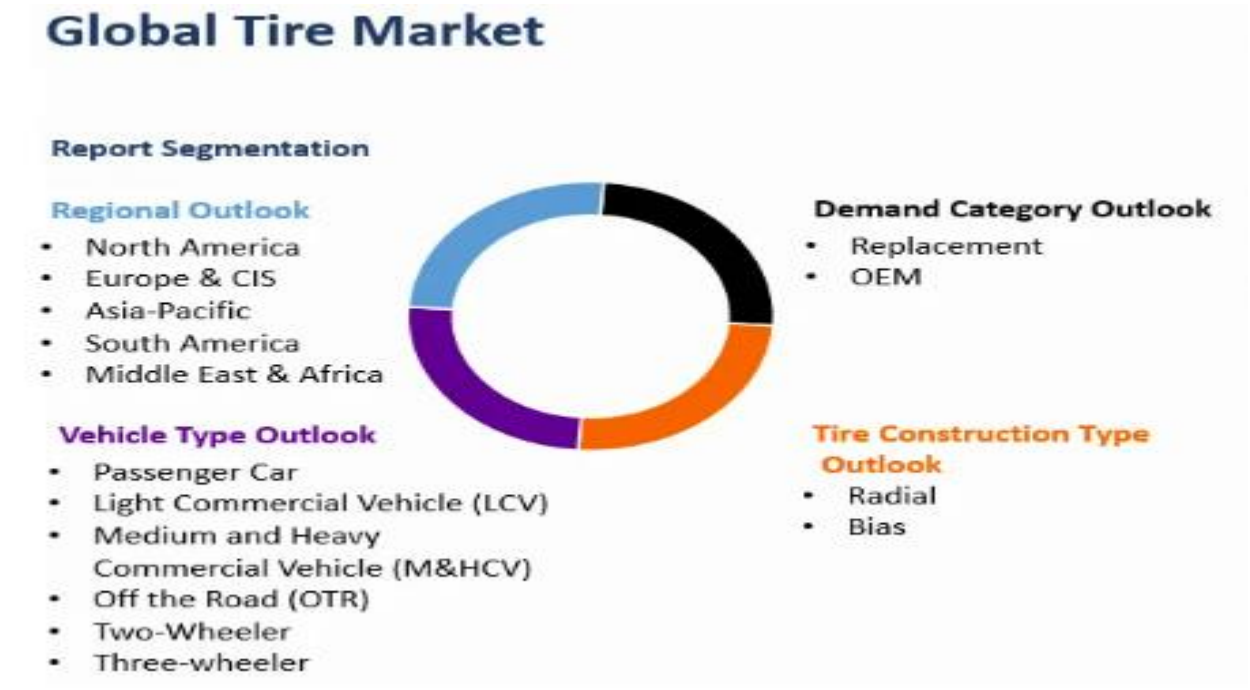
environmental responsibility is driving the adoption of sustainable practices and products, aligning with global efforts to reduce carbon footprints.

**Custom and High-performance Tires**

As consumers seek enhanced vehicle performance, there is a growing trend toward specialized, high-performance tires. These tires offer superior handling, durability, and speed capabilities. The demand for tires tailored to specific vehicle types, such as sports cars, SUVs, or off-road vehicles, is increasing. Manufacturers are responding by developing tires that offer improved grip, better fuel economy, and longer-lasting durability. This trend is particularly evident among luxury car buyers and those who prioritize performance features in their vehicles.

**Tire-as-a-Service (TaaS)**

A rising trend in the tire industry is the concept of Tire-as-a-Service (TaaS). This business model shifts away from the traditional ownership of tires to a service-based approach where customers pay for tire usage rather than purchase them outright. This model is gaining traction, particularly in fleet management, where companies prefer paying for tire usage instead of investing in upfront purchases. TaaS offers tire manufacturers and suppliers a recurring revenue stream, while providing customers with cost-effective, on-demand tire solutions for their vehicles.



**Regional Insights**

In 2024, the Asia-Pacific region hold a dominant position in the global tire market. This region's large and growing automotive industry, coupled with an expanding middle class, makes it a major hub for both vehicle production and tire consumption. Countries like China, Japan, India, and South Korea play a pivotal role in driving the demand for tires, largely due to their vast automotive manufacturing capabilities and rising vehicle sales. China, as the world's largest automotive market, significantly influences the demand for both OEM and replacement tires. The country's rapidly developing infrastructure, coupled with increasing urbanization, further fuels the need for tires across various vehicle segments, including passenger cars, commercial vehicles, and two-wheelers. The demand for replacement tires is also strong in Asia-Pacific, driven by the high number of vehicles on the road and the rising importance of vehicle maintenance. As vehicle ownership increases, consumers look for high-performance and durable tires to meet their specific needs, including safety and fuel efficiency. The presence of a large number of tire manufacturers within

the region further strengthens the market. These manufacturers have the ability to supply both domestic and international markets, making Asia-Pacific a critical player in the tire industry supply chain.

The shift towards electric vehicles (EVs) in countries such as China and India also impacts tire demand. As the adoption of EVs grows, tire manufacturers in Asia-Pacific are focusing on developing tires tailored to the unique requirements of electric vehicles, such as low rolling resistance and improved durability. This trend contributes to the region's dominance in the tire market by catering to the growing number of EVs on the road. Furthermore, the Asia-Pacific region benefits from a strong manufacturing base for raw materials used in tire production, such as rubber and synthetic materials. This, combined with a large consumer base, provides a steady and cost-effective supply chain for tire manufacturers. As vehicle production continues to expand and consumer purchasing power increases, the Asia-Pacific region remains the leading market in 2024 for both tire demand and supply.

Source: <https://www.techsciresearch.com/report/global-tire-market>

## India Tyre Market

*The India tyre market size was valued at **202.17 million units** in 2024. Looking forward, IMARC Group estimates the market to reach **263.79 million units** by 2033, exhibiting a **CAGR of 2.85%** from 2025-2033. West and Central India dominate the market, driven by strong automotive hubs, robust infrastructure, rising commercial vehicle demand, government transportation initiatives, and growing export opportunities.*

India is one of the largest producers and consumers of tyres in the world, with a market that caters to a diverse range of vehicles, including two-wheelers, passenger cars, commercial vehicles, and off-the-road (OTR) vehicles. The India tyre market has grown in tandem with the country's automotive sector, benefiting from rising vehicle production, increasing replacement demand, and growing exports.

The tyre market in India is highly competitive, with numerous domestic and international players vying for market share. Major tyre manufacturers have invested heavily in expanding their production capacities, adopting advanced technologies, and developing new products to meet the evolving needs of consumers. The market is segmented based on vehicle type, tyre type, and end-use, each contributing to the overall growth trajectory.

The India tyre market is demand driven by rapid urbanization, increasing vehicle ownership, and a growing automobile industry. As automakers plan to introduce nearly a dozen new EV models in 2025, including premium options with extended range and quicker charging times, the demand for specialized EV tyres is surging, which is driving the market demand. In addition, the expanding road infrastructure and government initiatives, have boosted demand for tyres in both urban and rural areas, aiding the market growth. Moreover, the rising adoption of radial tyres, owing to their durability and fuel efficiency, is strengthening the market share. Besides this, the surge in commercial vehicle sales, fueled by expanding logistics, e-commerce, and construction activities, is driving the market demand. Furthermore, strong foreign investments and technology collaborations contribute to product innovation, thus impelling the market growth.

Concurrent with this, the increasing focus on sustainability and eco-friendly tyres, as manufacturers adopt green production methods and fuel-efficient designs is driving the India tyre market growth. In line with this, the rise of electric vehicles (EVs) has influenced tyre innovation, with companies developing specialized tyres to meet EV performance needs, boosting the market demand. For example, the Indian government approved a ₹109 billion (\$1.3 billion) incentive scheme to promote EVs, aiming to increase EV adoption and enhance charging infrastructure, which is influencing tyre manufacturers to develop EV-specific tyres. Additionally, the growing exports of tyres to the country to global markets, backed by competitive pricing and quality improvements, is significantly providing an impetus to the market. Furthermore, the replacement tyre segment is expanding due to rising disposable incomes and consumer awareness regarding vehicle maintenance, which is fueling the market demand. Apart from this, favorable government policies are thereby propelling the market forward.

## Key Drivers of Growth

**Rising Vehicle Production and Sales:** One of the primary drivers of the tyre market in India is the consistent growth in vehicle production and sales. With the expansion of the automotive industry, particularly in the passenger car and

two-wheeler segments, the demand for tyres has seen a steady increase. The growing middle class, rising disposable incomes, and increasing urbanization have all contributed to the surge in vehicle ownership, further driving the demand for tyres.

**Growing Replacement Demand:** The replacement market plays a crucial role in the India tyre market. As the number of vehicles on the road continues to grow, the need for tyre replacements has also increased. Tyres are subject to wear and tear, and regular replacement is essential for ensuring vehicle safety and performance. The replacement market is particularly strong in the two-wheeler and passenger car segments, where tyre longevity and performance are critical factors for consumers.

**Expansion of the Automotive Aftermarket:** The automotive aftermarket in India has witnessed significant growth, driven by the increasing demand for vehicle maintenance, repair, and customization services. Tyres are a vital component of the aftermarket, and the growing awareness among consumers about the importance of tyre quality and maintenance has led to higher sales in this segment. Additionally, the proliferation of organized retail chains and online platforms has made it easier for consumers to access a wide range of tyre products, further boosting market growth.

**Technological Advancements:** The India tyre market has embraced technological advancements to enhance product quality, performance, and durability. Manufacturers are increasingly investing in research and development (R&D) to develop innovative tyre designs, such as radial and tubeless tyres, that offer superior grip, fuel efficiency, and longer life. The adoption of automation and advanced manufacturing techniques has also improved production efficiency, enabling manufacturers to meet the growing demand.

**Export Opportunities:** India has emerged as a significant exporter of tyres, catering to markets in Asia, Africa, Europe, and the Americas. The country's cost-competitive manufacturing base, coupled with the growing reputation of Indian tyre brands, has made Indian tyres increasingly popular in international markets. The government's focus on boosting exports through incentives and trade agreements has further supported the growth of the tyre export market.

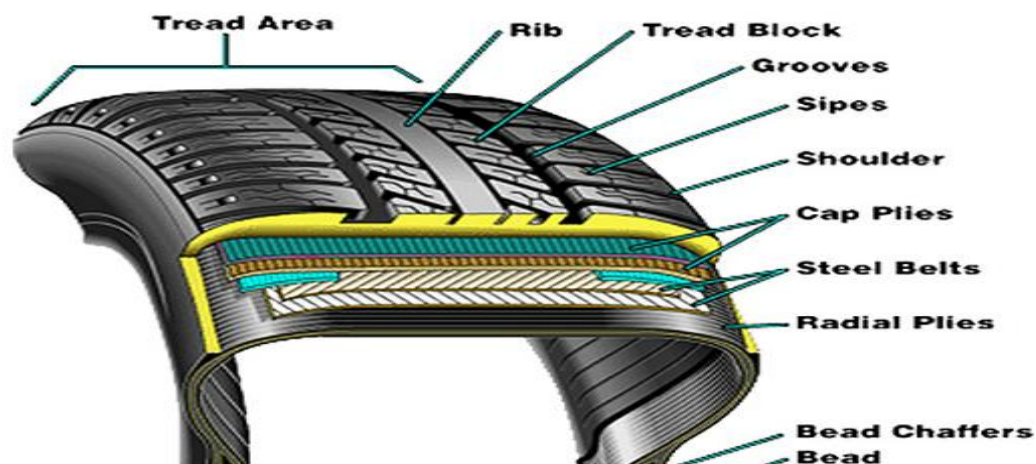
Source: <https://www.imarcgroup.com/india-tyre-market>

## 8. Tyre Components and Market

- The components of different Types of Tyre are shown below:

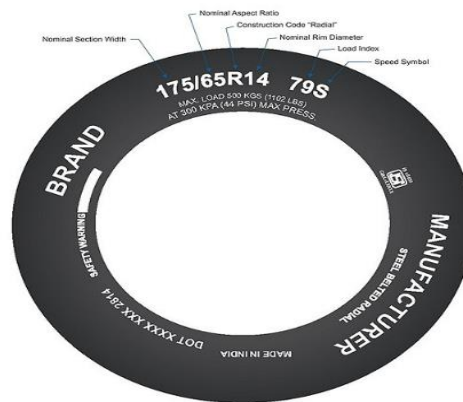
### Passenger Car Tyre

#### Passenger Car Tyre Cross Section



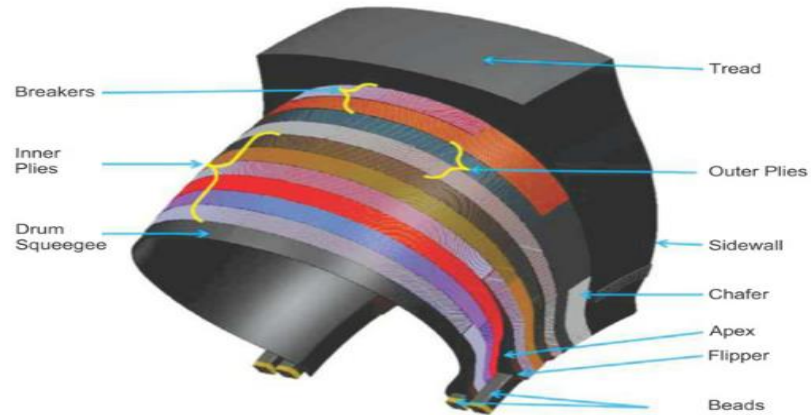


## Passenger Car Tyre Sidewall Marking

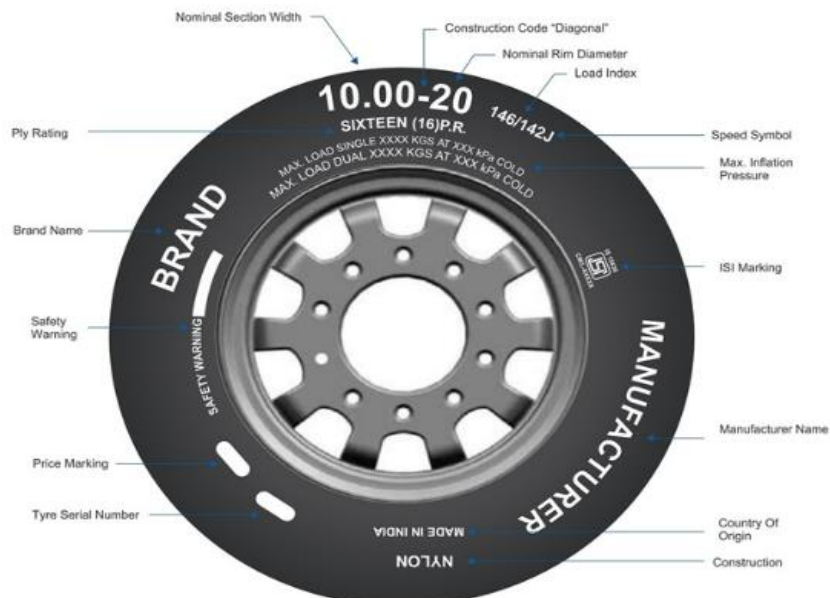


## Commercial Tyres

### Truck & Bus Bias Tyre Cross Section



### Truck & Bus Bias Tyre Sidewall Marking



### Tyre Components Definition

**Bead** – The part of the tyre, which is so shaped as to fit the rim and hold the tyre on to it. It has cores made of several strands of essentially inextensible steel wire with the end of the plies wrapped around the cores for anchorage.

**Sidewall**- The part of the tyre between the bead and the tread, which flexes in service.

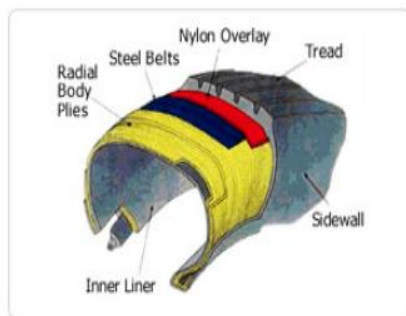
**Tread** – This is the part of the tyre which comes in contact with the ground and through which the driving, braking and cornering forces are transmitted. It is made of a special rubber compound to give good wearing properties and in conjunction with the tread pattern to transmit these forces.

**Ply** – A layer of rubber coated fabric cords.

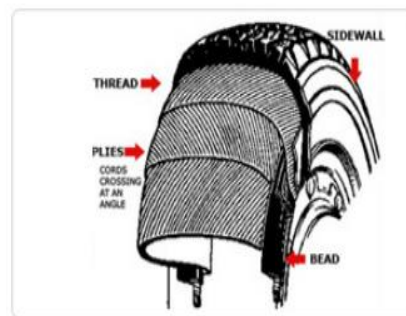
**Carcass** – The rubber-bonded cord structure of a tyre integral with the bead which provides the requisite strength to carry the load.

**Breaker (Diagonal)**- Intermediate rubberised fabric layers/plies between the carcass and the tread which helps bonding as well as protects the casing from road shocks.

**Belt (Radial)** – Layers of rubberised material underneath the tread with cords laid substantially in the direction of the tread centre-line that restricts the carcass in the circumferential direction and stiffens the tread area.



Carcass ply cords run at 90 degrees to circumferential axis.  
Carcass stabilized by steel belts.



Carcass ply cords run at an angle with respect to 90 degrees to circumferential axis of the circumferential axis.

### **Advantages Of Radial Tyres:**

- Longer tyre life resulting from lesser tread squirming & shuffling.
- Improved fuel efficiency due to Reduced rolling resistance.
- Better high speed performance: Better dimensional & directional stability due to reduced edgewise bending.

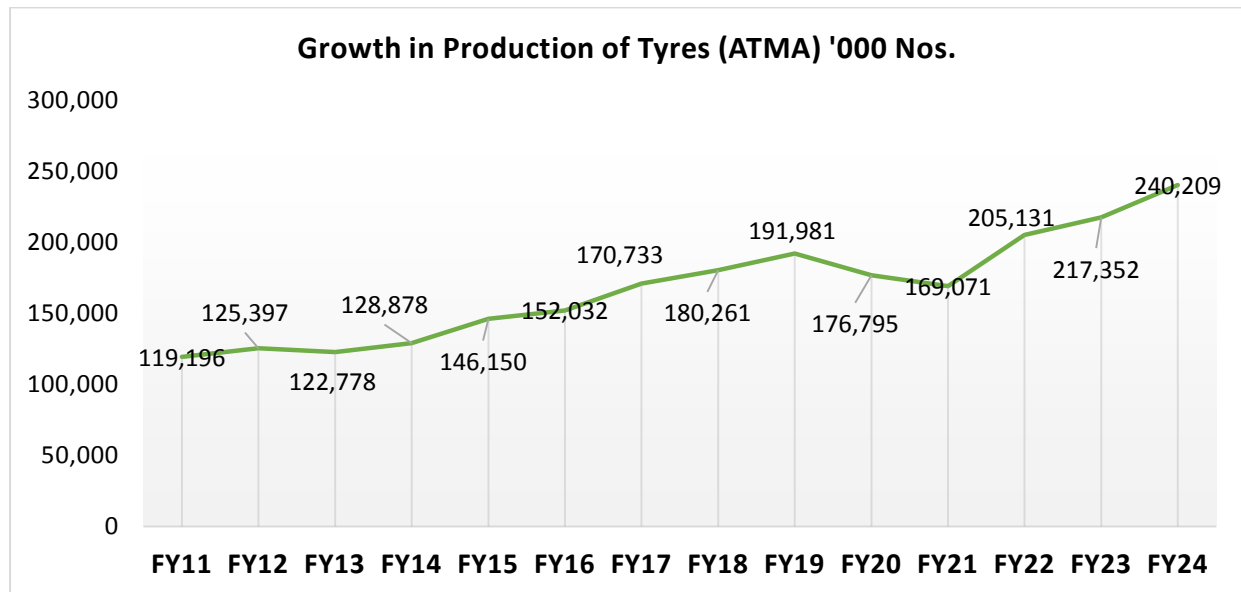
### **Better Vehicle Handling Due To:**

- Minimum distortion in foot print area
- Higher flexibility of sidewalls
- Reduced side slip



## Tyre Market

The NR is a prime raw material for tyre manufacturing. Tyre makers are likely to see revenue growth of 7-8 per cent this fiscal, driven by a 3-4 per cent increase in both realizations and volume. Revenue will grow in single digit for the second straight year. The industry's margins are likely to face pressure due to high raw material costs. Domestic prices of natural rubber, a key input to manufacture tyres, have risen by around 40 per cent during April- September 2024. Wholesale prices of carbon black have also risen sequentially in the past couple of months.



## **Automotive Tyre Production Statistics in India – (in '000 Numbers)**

| HSN Classification | Category / Month                           | Apr '23      | May '23      | Jun '23      | Jul '23      | Aug '23      | Sep '23      | Oct '23      | Nov '23      | Dec '23      | Jan '24      | Feb '24      | Mar '24      | 2023-24p      |
|--------------------|--------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| 40111010           | Passenger Car(Radial)                      | 4506         | 4617         | 4301         | 4904         | 4870         | 4940         | 4982         | 4029         | 4726         | 4628         | 4933         | 5123         | 56558         |
| 40111090           | Passenger Car(Bias/Other)                  | 485          | 520          | 556          | 559          | 560          | 547          | 465          | 453          | 390          | 408          | 406          | 448          | 5798          |
| 40112010           | Truck & Bus (Radial) and LCV (Radial)      | 1598         | 1624         | 1571         | 1680         | 1579         | 1648         | 1707         | 1622         | 1734         | 1650         | 1637         | 1767         | 19817         |
| 40112090           | Truck & Bus (Bias) and LCV (Bias/Other)    | 1174         | 1209         | 1134         | 1162         | 1109         | 1156         | 1175         | 1178         | 1151         | 1161         | 1092         | 1210         | 13912         |
| 40114010           | Motorcycles                                | 6189         | 6302         | 6530         | 6690         | 6719         | 6673         | 6882         | 6356         | 7082         | 6752         | 6696         | 6966         | 79838         |
| 40114020           | Scooter                                    | 3161         | 3368         | 3310         | 3713         | 4043         | 4244         | 4055         | 3669         | 3950         | 3938         | 3903         | 4032         | 45386         |
| 40114090           | Tyres used other than Motorcycle/ Scooters | 404          | 395          | 545          | 526          | 568          | 600          | 625          | 553          | 539          | 426          | 363          | 419          | 5962          |
| 40117000           | Agricultural/Forestry (Tractor)            | 906          | 901          | 834          | 833          | 821          | 799          | 836          | 761          | 687          | 819          | 920          | 973          | 10091         |
| 40118000           | Construction, Mining & Industrial          | 192          | 193          | 182          | 206          | 173          | 179          | 196          | 180          | 210          | 199          | 214          | 222          | 2346          |
| 40119000           | Others                                     | 41           | 41           | 34           | 35           | 30           | 33           | 38           | 39           | 52           | 49           | 57           | 52           | 501           |
| <b>Total</b>       |                                            | <b>18657</b> | <b>19170</b> | <b>18997</b> | <b>20309</b> | <b>20473</b> | <b>20818</b> | <b>20961</b> | <b>18841</b> | <b>20520</b> | <b>20029</b> | <b>20221</b> | <b>21214</b> | <b>240209</b> |

P: provisional

Source: <https://www.atmaindia.org.in/>

## 9. India Tyre Market Segmentation

The India tyre market can be segmented based on vehicle type, tyre type, end-use, and region.

### By Vehicle Type:

**Two-Wheelers:** The two-wheeler segment is the largest consumer of tyres in India, driven by the country's high motorcycle and scooter ownership. The increasing preference for personal mobility, particularly in urban areas, has led to strong demand for two-wheeler tyres.

In the first half of fiscal year 2025 (April-September 2024), India's two-wheeler industry achieved significant growth, with total wholesales surpassing 10 million units—a milestone not reached in six years. This 16.31% year-on-year (YoY) increase was driven by:

- **Motorcycles:** Sales rose by 16.31%, with the premium motorcycle segment (engines  $\geq 125\text{cc}$ ) experiencing a robust 19-21% growth, indicating a consumer shift towards higher-capacity bikes.
- **Scooters:** This segment saw a 22% YoY increase, attributed to strong urban demand and rising female workforce participation.
- **Electric Vehicles (EVs):** Electric two-wheeler sales surged by approximately 33%, increasing their market share to about 6% in 2024, up from 4.9% in 2023. This growth reflects a growing consumer interest in sustainable mobility options.

**Passenger Cars:** The passenger car segment is another significant contributor to the tyre market, with a growing number of middle-class consumers opting for personal vehicles. The demand for high-performance and fuel-efficient tyres in this segment is on the rise.

Further, the passenger car market is undergoing notable shifts:

- **SUV Demand:** Sales of Sports Utility Vehicles (SUVs) increased by 14% in 2024, now comprising 56% of the market. This trend is driven by affluent consumers' preference for larger vehicles, even amid economic slowdowns.
- **Price Adjustments:** Major manufacturers are adjusting prices in response to rising input costs:
  - *Maruti Suzuki India* plans to increase car prices by up to 4% starting April 2025.
  - *Hyundai Motor India* announced a price hike of up to 3%, also effective from April 2025.
- **Electric Vehicles (EVs):** Manufacturers are intensifying their focus on EVs:
  - *Tata Motors* is investing in local battery production to maintain its competitive edge as more players enter the Indian EV market.
  - *Volkswagen's Skoda* plans to invest in manufacturing EVs in India, underscoring the market's potential despite existing challenges.

**Commercial Vehicles:** The commercial vehicle segment, which includes trucks, buses, and light commercial vehicles (LCVs), is crucial for the tyre market. The growth in e-commerce, logistics, and infrastructure development has fueled the demand for commercial vehicle tyres.

**Off-The-Road (OTR) Vehicles:** The OTR segment includes tyres for construction, mining, and agricultural vehicles. The increasing focus on infrastructure development and mechanization in agriculture has driven demand in this segment.

The Off-The-Road (OTR) vehicle market, which includes all-terrain vehicles (ATVs), utility task vehicles (UTVs), and specialized machinery, is witnessing significant growth due to multiple factors. Globally, the market was valued at approximately USD 12.37 billion in 2020 and is expected to reach USD 22.62 billion by 2030, growing at a compound annual growth rate (CAGR) of 7.3% during the forecast period. While North America has traditionally been the dominant region, the Asia-Pacific market is expected to grow at a higher CAGR of 8.6%, driven by increasing industrialization and infrastructure development. Technological advancements, such as the integration of digital navigation systems and connectivity features, are enhancing the performance and appeal of OTR vehicles. Additionally, rising interest in outdoor recreational activities and adventure sports, particularly in North America, has contributed to the growing demand for ATVs and UTVs. Beyond recreation, OTR vehicles are widely used in industries such as agriculture, construction, and mining due to their ability to navigate diverse terrains and improve operational efficiency. Furthermore, emerging markets are seeing a surge in demand for these vehicles as rapid industrialization and infrastructure expansion drive the need for efficient construction and agricultural solutions.

### **Increase in Demand for OTR Tyre**

India has witnessed an increase in demand for Off-The-Road (OTR) tyres in recent years. Several factors are included in this growing demand. Firstly, there has been significant infrastructure development in the country, including the construction of roads, highways, and airports. These projects require heavy machinery and vehicles that rely on OTR tyres for optimal performance in challenging terrains.

Secondly, the mining and construction sectors in India have experienced substantial growth. OTR tyres are essential for heavy-duty vehicles used in mining operations, earthmoving equipment, and construction projects. Moreover, the agriculture sector, which heavily relies on tractors and other agricultural machinery, has also contributed to the demand for OTR tyres. The expansion of mechanized farming practices and the need for increased productivity have driven the demand for reliable and durable OTR tyres. Overall, the increase in infrastructure development, growth in the mining and construction sectors, and mechanization of agriculture have all fueled the demand for OTR tyres in the India tyre market. Manufacturers have responded by expanding their OTR tyre offerings to meet the specific requirements of these sectors.

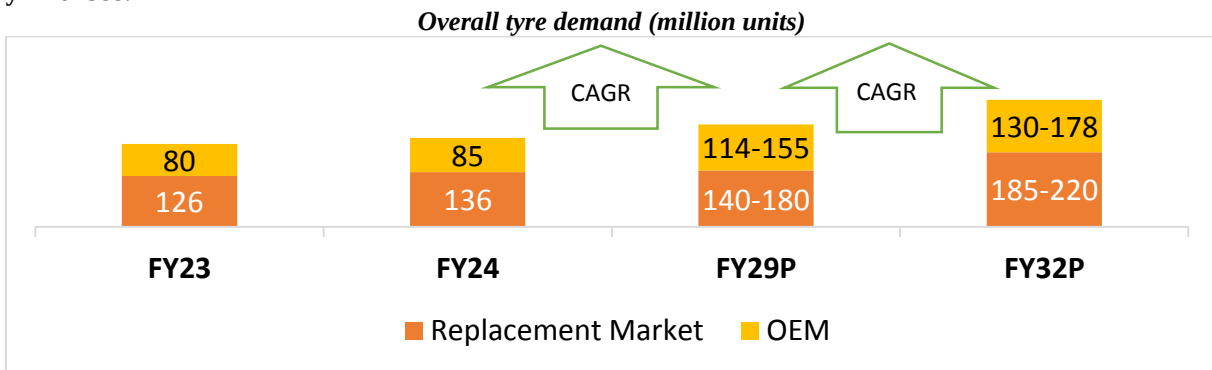
For example, BKT tyres is creating India-centric products, whether for the mining sector's Mineforce or the agriculture sector's Commander series, or the soon-to-be-launched addition to the Earthmax series. The company has over 1100 SKUs devoted towards the Indian markets.

### **By Tyre Type:**

**Radial Tyres:** Radial tyres, known for their durability, fuel efficiency, and better handling, have gained popularity across various vehicle segments. The shift towards radicalization, particularly in the passenger car and commercial vehicle segments, has been a key trend in the market. While specific data on the market size of radial tyres within India is limited, the global radial tyre market was valued at approximately USD 90.47 billion in 2024 and is expected to reach around USD 105.37 billion by 2034, growing at a CAGR of 4.1% from 2025 to 2034.

**Bias Tyres:** Bias tyres, which offer higher load-carrying capacity and are more suitable for rough terrains, continue to be used in specific applications, particularly in the OTR and commercial vehicle segments. According to Transparency Market Research, the global bias tyre market was valued at approximately USD 29.5 billion in 2022 and is projected to reach USD 36.1 billion by 2031, growing at a Compound Annual Growth Rate (CAGR) of 2.3% during the forecast period.

#### By End-Use:



*Note: Overall tyre demand includes 2W, 3W, PV, CV, Tractor and OTR; OTR contributes <2% of overall demand*

**Original Equipment Manufacturer (OEM):** The OEM segment caters to the tyre requirements of vehicle manufacturers. The growth in vehicle production, particularly in the two-wheeler and passenger car segments, drives demand in the OEM market.

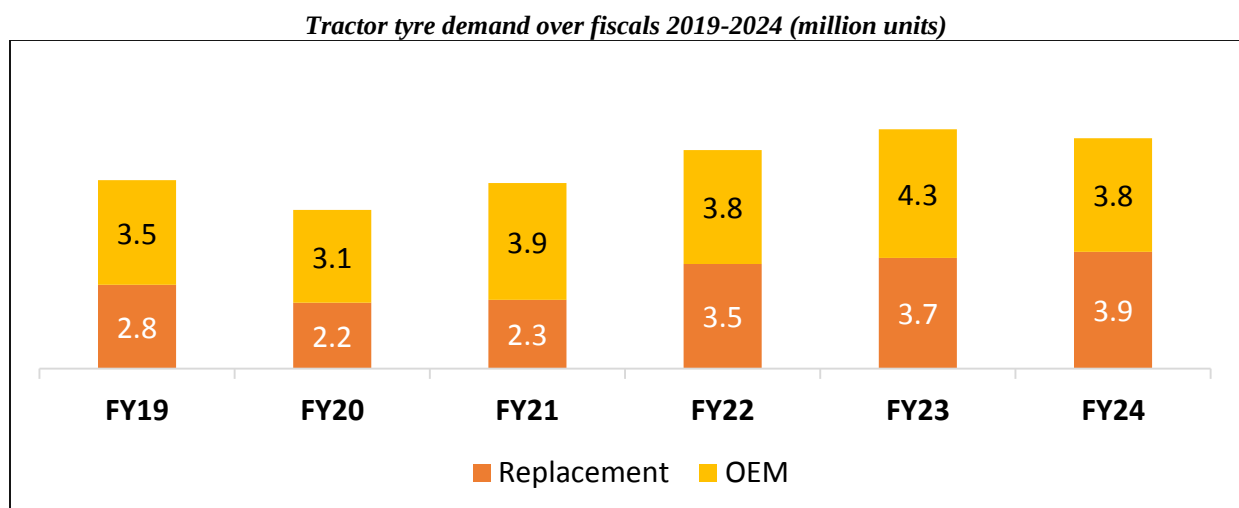
**Replacement:** The replacement market is driven by the need for tyre replacements due to wear and tear, punctures, and damage. This segment accounts for a significant share of the tyre market, particularly in the two-wheeler and passenger car categories.

India currently sells around 22 crore tyres annually, with segment-wise distribution as follows: approximately 11 crores for two-wheelers, 6 crore for four-wheelers, 3 crore for commercial vehicles, and 0.7 crore for tractors.

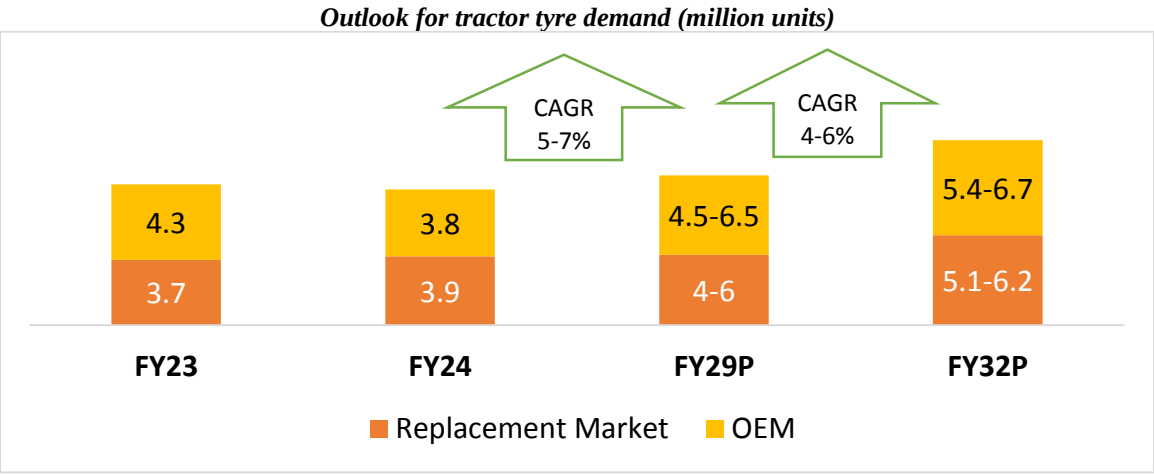
Out of the total tyre sales, around 14 crore tyres cater to the replacement market, while 8 crores are supplied to Original Equipment Manufacturers (OEMs).

Tyre companies typically achieve higher profit margins in the replacement market compared to OEM sales, as they have greater pricing power with individual consumers than with OEMs. Consequently, companies with a larger share in the replacement segment tend to be more profitable in the long run. However, to capitalize on replacement demand, companies must invest in establishing a strong dealer network to ensure widespread availability and customer reach.

OEM tractor tyre demand is projected to record an 3-5% growth in fiscal 2025 on account of higher tractor purchases which are estimated to grow by 4-6. Subdued rural sentiments due to erratic rainfall and high input costs have led to a decline in farmer sentiments.



Tyre demand from the tractor segment is expected to be stable in the long run as the government has set a target to augment farm incomes, provides direct income support to farmers and owing to improvement in land productivity through issuance of soil health cards. The government’s renewed thrust on enhancing irrigation intensity is expected to support tractor growth and increase mechanization. Tractor manufacturers have started offering rental services via mobile applications, which will also prop up demand for tractors in the long term.



**By Region:**

**North India:** North India is a significant market for tyres, driven by the presence of key automotive hubs in states like Haryana, Punjab, and Uttar Pradesh. The region’s strong industrial base and growing vehicle population contribute to its market size.

**South India:** South India is another major market, with states like Tamil Nadu and Karnataka being key automotive manufacturing centers. The region’s growing urbanization and industrialization have fueled demand for tyres.

**West India:** West India, particularly Maharashtra and Gujarat, is a significant market for both OEM and replacement tyres. The region’s strong economic base and extensive road network support the tyre market’s growth.

**East India:** East India, while still developing, presents growth opportunities for the tyre market. The region’s improving infrastructure and increasing vehicle ownership are driving demand.

Source: <https://mathmarkets.in/2024/11/15/indian-tire-industry-2>

<https://www.alliedmarketresearch.com/press-release/off-road-vehicle-market.html>

<https://www.precedenceresearch.com/us-off-road-vehicles-market>

<https://www.globenewswire.com/news-release/2024/03/29/2854692/28124/en/Global-Off-Road-Vehicle-Market-Poised-for-Prosperous-Growth-Through-2028>

<https://timesofindia.indiatimes.com/business/india-business/two-wheeler-industry-races-15-17-ahead-moderate-growth-of-2-4-seen-in-2025-from-a-high-base/articleshow/117109407.cms>

**10. India Automobile Industry -Overview & Market Size**

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India’s population being young. Moreover, the growing interest of companies in exploring the rural markets further

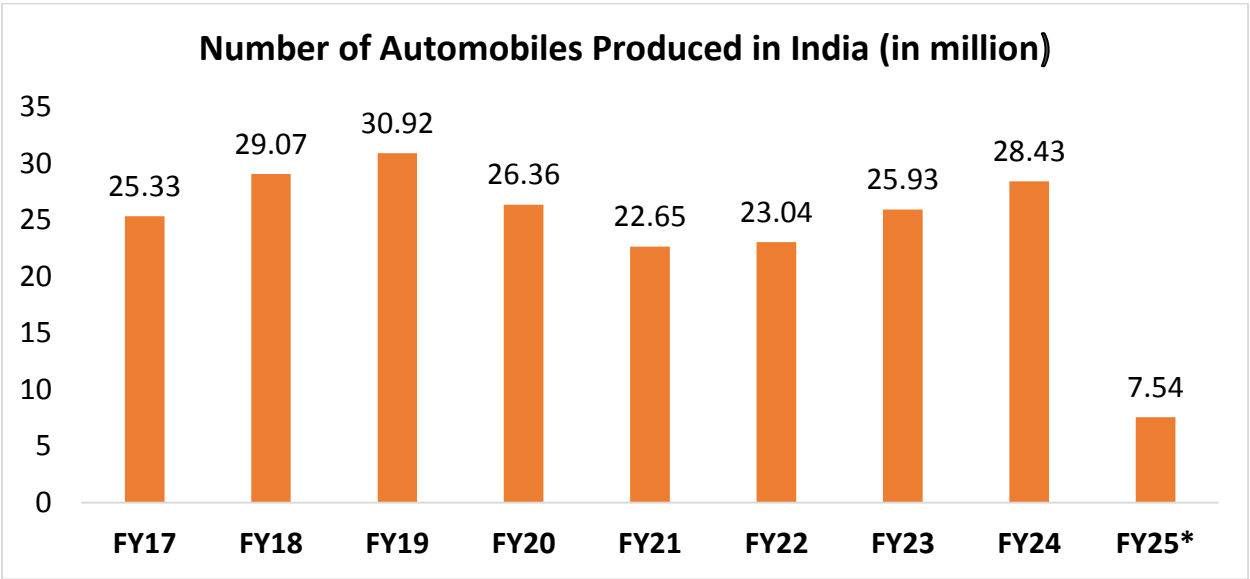
aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles.

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. India’s annual production of automobiles in FY 23 was 25.9 million vehicles. India has a strong market in terms of domestic demand and exports. In September 2024, the total production of passenger vehicles\*, three-wheelers, two-wheelers, and quadricycles was 27,73,039 units.

In FY 23, total automobile exports from India stood at 47,61,487. This sector's share of the national GDP increased from 2.77% in 1992-1993 to around 7.1% presently. It employs about 19 million people directly and indirectly.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market by 2022.

**Market Size**



*\* The data pertains to projections for the period from April to September in FY25.*

The Indian passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027 while registering a CAGR of over 9% between 2022-27. The global EV market was estimated at approximately US\$ 250 billion in 2021 and by 2028, it is projected to grow by 5 times to US\$ 1,318 billion.

In September 2024, the total production of passenger vehicles\*, three-wheelers, two-wheelers, and quadricycles was 27,73,039 units. In April - September FY25\*, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 1,56,22,388 units.

In April-September FY25, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 1,56,22,388 units.

India accomplished a significant milestone, with the sale of 13,25,112 EVs in FY24 (till January 2024).

The Electric Vehicle (EV) market is estimated to reach US\$ 7.09 billion (Rs. 50,000 crore) in India by 2025. A study by CEEW Centre for Energy Finance recognised a US\$ 206 billion opportunity for electric vehicles in India by 2030. This will necessitate a US\$ 180 billion investment in vehicle manufacturing and charging infrastructure.

According to NITI Aayog and the Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach US\$ 50 billion (Rs. 3.7 lakh crore) by 2030.

A report by the India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, the projection for the EV battery market is expected to expand at a CAGR of 30% during the same period.

Indian automotive industry is targeting to increase the export of vehicles by five times during 2016-26. In FY 23, total automobile exports from India stood at 47,61,487. Indian automobile exports of two-wheelers stood at 36,52,122 in FY 23.

Source: <https://www.ibef.org/industry/india-automobiles>

## **11. Future Scope of the India Tyre Market**

The Indian tyre market is poised for steady growth, driven by increasing demand across various sectors, technological advancements, and government initiatives. Key factors shaping the future of the industry include:

### **1. Market Growth Projections**

- The Indian tyre industry is expected to grow at a **CAGR of 6-8%** over the next five years.
- Demand will be primarily fueled by the **automotive sector**, with increasing vehicle sales, infrastructure development, and rising exports.

### **2. Key Growth Drivers**

#### **A. Rising Vehicle Sales and Replacement Demand**

- Growth in **passenger and commercial vehicle sales** will boost demand for original equipment manufacturer (OEM) tyres.
- The **replacement tyre market** (which accounts for nearly 70% of the industry) will continue to expand due to higher vehicle ownership and road infrastructure improvements.

#### **B. Expansion of Electric Vehicles (EVs)**

- The shift towards EVs will drive demand for **specialized tyres** with lower rolling resistance and higher durability.
- Tyre manufacturers are investing in **new EV-compatible tyre technologies**, such as low-noise and energy-efficient designs.

#### **C. Infrastructure and Industrial Growth**

- Increased spending on highways, roads, and construction projects will enhance demand for **Off-The-Road (OTR) tyres** and **commercial vehicle tyres**.
- Growth in the **mining, agriculture, and logistics sectors** will further boost sales.

#### **D. Export Potential and Global Demand**



- India is emerging as a key **tyre manufacturing hub** for global markets, with rising exports to **North America, Europe, and Africa**.
- Government policies supporting **rubber plantations and tyre exports** will enhance competitiveness in international markets.

### 3. Technological Innovations in Tyre Manufacturing

- Adoption of **smart tyres** with real-time monitoring for pressure, temperature, and tread wear.
- Use of **sustainable and eco-friendly materials** like bio-based rubber and recycled components.
- Advanced **radial tyre technology** for better fuel efficiency and longevity.

### 4. Challenges and Future Considerations

- **Raw Material Costs:** Fluctuations in natural rubber and crude oil prices may impact profitability.
- **Import Restrictions:** Dependence on imported rubber and synthetic materials may pose supply chain risks.
- **Environmental Regulations:** Stricter policies on waste management and emissions could drive innovation in sustainable tyre production.

### Conclusion

The Indian tyre market has a strong growth outlook, supported by rising vehicle sales, infrastructure development, technological advancements, and export expansion. While challenges exist, investments in R&D, sustainability, and innovation will shape the industry's long-term success.

## 12. Challenges and Opportunities

### Challenges in the India Tyre Market

Despite the positive growth outlook, the India tyre market faces several challenges that could impact its trajectory.

- **Volatility in Raw Material Prices:** The tyre industry is heavily dependent on raw materials such as natural rubber, synthetic rubber, and petroleum-based products. Fluctuations in the prices of these raw materials can significantly impact production costs and profitability for tyre manufacturers. The volatility in global commodity markets, coupled with supply chain disruptions, poses a challenge for the industry.
- **Environmental Concerns:** The tyre manufacturing process is resource-intensive and generates significant waste, including carbon emissions and non-biodegradable waste. With increasing awareness of environmental issues, tyre manufacturers are under pressure to adopt sustainable practices, reduce their carbon footprint, and comply with stringent environmental regulations. The shift towards sustainable manufacturing practices may require significant investments in technology and infrastructure.
- **Competition from Imported Tyres:** The India tyre market faces competition from imported tyres, particularly from countries like China and Thailand. These imported tyres are often priced lower than domestically produced tyres, posing a challenge for local manufacturers. The government's imposition of anti-dumping duties and other trade measures has provided some relief, but competition from imports remains a concern.
- **Technological Disruptions:** The rapid pace of technological advancements in the automotive industry, such as the development of electric vehicles (EVs) and autonomous vehicles, presents both opportunities and challenges for the tyre market. Tyre manufacturers need to innovate and adapt to meet the specific requirements of these new vehicle technologies. The transition to EVs, in particular, may require the development of specialized tyres that offer low rolling resistance and can handle the increased weight and torque of electric vehicles.
- **Infrastructure and Logistics Challenges:** The distribution of tyres across India, particularly in remote and rural areas, can be challenging due to infrastructure constraints and logistical inefficiencies. Ensuring timely delivery

of tyres to different parts of the country requires a well-developed supply chain and distribution network. Addressing these logistical challenges is crucial for the market's growth.

### Opportunities in the India Tyre Market

While the challenges are significant, they also present opportunities for innovation and growth in the India tyre market. Addressing these challenges can unlock new avenues for market expansion.

- **Focus on Sustainable Tyre Manufacturing:** The growing emphasis on sustainability presents an opportunity for tyre manufacturers to differentiate themselves by adopting eco-friendly practices. This includes the development of tyres using sustainable materials, reducing waste during the manufacturing process, and implementing recycling initiatives. Manufacturers that prioritize sustainability can attract environmentally-conscious consumers and gain a competitive edge in the market.
- **Growth in the Electric Vehicle (EV) Segment:** The Indian government's push towards electric mobility presents significant growth opportunities for the tyre market. As the adoption of electric vehicles (EVs) increases, there will be a growing demand for specialized tyres that meet the unique requirements of EVs. Tyre manufacturers can capitalize on this trend by developing high-performance, energy-efficient tyres designed specifically for electric vehicles.
- **Expansion of Online Sales Channels:** The rise of e-commerce and online sales platforms presents an opportunity for tyre manufacturers to reach a broader customer base. The convenience of online shopping, coupled with the availability of a wide range of tyre products, has made online sales an increasingly popular option for consumers. Expanding online sales channels can help manufacturers tap into new markets and increase their reach.
- **Investment in Research and Development (R&D):** Continued investment in R&D is crucial for driving innovation in the tyre industry. By focusing on the development of advanced tyre technologies, such as run-flat tyres, puncture-resistant tyres, and smart tyres with embedded sensors, manufacturers can offer products that meet the evolving needs of consumers. R&D efforts can also help manufacturers improve tyre performance, durability, and safety.
- **Expansion into Rural and Semi-Urban Markets:** While urban areas continue to be the primary markets for tyres, there is significant growth potential in rural and semi-urban markets. As road infrastructure improves and vehicle ownership increases in these areas, the demand for tyres is expected to rise. Expanding distribution networks and targeting these emerging markets can drive further growth in the tyre industry.

### 13. Government Initiatives

#### Sustainable & Inclusive Development of Natural Rubber Sector

The government has announced plans to increase subsidies for rubber cultivation in a phased manner, aiming to support farmers in adopting modern practices and improving yield quality.

Some of the steps that have been taken are as follows:

- The financial assistance for the Rubber sector under this scheme has been increased by 23 per cent from ₹576.41 crore to ₹708.69 crore for the financial years (2024-25 and 2025-26).
- With an outlay of ₹43.50 crore, the rate of assistance for plantation has been increased to ₹40,000 per ha from the earlier ₹25,000 per ha.
- To support the rubber industry, planting of rubber will be undertaken in 12,000 ha in traditional areas during 2024-25 and 2025-26. Total 3752 ha will be brought under rubber cultivation in non-traditional (NT) regions with an outlay of ₹18.76 crore during the same period. Planting assistance at ₹2,00,000 per ha will be provided for SC growers in non-traditional regions.
- For productivity enhancement of rubber produced, support shall be provided for rain guarding in 67,000 Ha (60,000 in Traditional, 5000 in NT and 2000 in Northeast) area and plant protection (spraying) in 22,000 ha

(20,000 in Traditional and 2000 in NT). An amount of ₹35.60 crore is envisaged to be provided for this in the period of 2024 to 2026.

- The scheme aims to empower rubber growers by forming 250 new Rubber Producers Societies (RPS) over the period of 2024 to 2026, with increased assistance of ₹5000. This will support activities like farmer education, seminars, capacity building, and exposure visits. Additionally, 1450 farmer clusters will be formed in NT and Northeastern regions. Assistance of up to ₹40,000 per RPS will be provided for latex collection and DRC testing equipment to 55 RPSs. Support up to ₹30,000 per RPS will be provided to 180 RPSs.
- To ensure quality and standardization of rubber sheets, the setting up of Group Processing Centers (GPC) is being promoted. The construction of 18 GPCs will be supported in the Northeast and NT regions. Whereas construction of 10 GPCs will be supported in the traditional region. Assistance will be provided to 77 GPCs (50 in traditional area, 2 in NT areas and 25 in Northeast).
- To fund rubber research, an outlay of ₹29 crore has been provided for the period of 2024 to 2026.
- An amount of ₹8.91 crore has been provided for overall digitization of Rubber Board.
- Establishment of three nodal centers of National Institute of Rubber training (NIRT) in NE region Agartala, Guwahati and Nagaland have been proposed with an outlay of ₹5.25 crore in the period of 2024 to 2026, primarily to promote MSMEs in this region by imparting training in product manufacture and quality control.

**The Indian government has implemented several initiatives to bolster the tyre industry, focusing on quality enhancement, domestic manufacturing, sustainability, and technological advancement:**

#### **1. Quality Control Measures:**

To prevent the influx of substandard tyres and promote high-quality domestic production, the Department for Promotion of Industry and Internal Trade (DPIIT) issued the Quality Control Order (QCO) in 2009, which was enforced in 2011. This mandate ensures that both domestic and imported tyres meet specified quality standards, safeguarding consumer interests and maintaining industry integrity.

#### **2. Promotion of Domestic Manufacturing:**

In line with the 'Make in India' initiative, the government has introduced policies to encourage global tyre manufacturers to establish production facilities within the country. Notably, companies like Michelin, Bridgestone, and Goodyear have committed investments totaling approximately ₹3,000 crore under schemes that link import permissions to local manufacturing commitments. This strategy aims to reduce dependency on imports, enhance local production capabilities, and generate employment opportunities.

#### **3. Sustainability Initiatives:**

Addressing environmental concerns, India has adopted Extended Producer Responsibility (EPR) schemes for tyres. Announced by the Ministry of Environment, Forests, and Climate Change, these regulations require tyre manufacturers to manage the entire lifecycle of their products, including end-of-life disposal and recycling. The goal is to achieve a 100% recovery rate of end-of-life tyres by 2025, aligning with global sustainability practices.

#### **4. Financial Support for Sustainable Practices:**

To promote sustainable manufacturing, financial institutions like the International Finance Corporation (IFC) have extended support to Indian tyre manufacturers. For instance, JK Tyre secured a \$100 million Sustainability-Linked Loan (SLL) from the IFC to expand its production capacity for energy-efficient tyres. This funding not only aids in scaling operations but also emphasizes the industry's shift towards environmentally friendly practices.

## 5. Infrastructure Development and Technological Advancement:

Government policies promoting automotive industry growth and infrastructure development are facilitating the rise in radial tyre adoption. The shift towards radial tyres is also supported by advancements in tyre technology and increased consumer awareness. As more information becomes available about the benefits of radial tyres, such as their contribution to enhanced safety and lower operational costs, consumers are increasingly opting for them.

### Union Budget 2025

The Union Budget 2025-26 allocated ₹1,565 crore to the Plantation Commodity Boards, marking a significant increase from the revised estimate of ₹1,228 crore for FY25. However, within this broader allocation, the Rubber Board's budget was set at ₹360.31 crore, reflecting only a 3.4 per cent rise from the previous year's revised allocation of ₹348.38 crore. This modest increase indicates that while the government continues to support the rubber industry, the focus may not be on aggressive expansion but rather on sustaining existing initiatives.

The limited growth in funding for the Rubber Board suggests that major new schemes for rubber cultivation, processing, or market development may not be introduced this year. Instead, the Board will likely need to optimize its existing resources to enhance productivity and support small-scale growers. This could mean continued but constrained efforts in areas such as farmer training, digital initiatives, and research on sustainable rubber production.

A substantial increase in the overall budget for Plantation Commodity Boards signals the government's broader commitment to plantation-based industries. This could indicate greater support for tea, coffee, and spices, potentially leaving rubber with a smaller share of benefits. For rubber cultivators and manufacturers, the implications of this budget may include stable but not significantly expanded government support.

### National Rubber Policy

Introduced in March 2019, the National Rubber Policy encompasses various provisions to support the NR production sector and the entire rubber industry value chain. It addresses areas such as new planting and replanting, support for growers, processing and marketing of natural rubber, labor shortages, grower forums, external trade, research, training, rubber product manufacturing and export, and climate change concerns.

Finally, it is important to mention that there is no specific Production-Linked Incentive (PLI) scheme dedicated exclusively to the rubber industry. However, the government's focus on enhancing manufacturing capabilities and exports through various PLI schemes in related sectors, such as automotive and textiles, indirectly benefits the rubber industry by increasing demand for rubber products.

Source: <https://www.infomerics.com/admin/uploads/rubber-industry2025>

## 14. Top Five Tyres Companies

India's tyre industry is dominated by several key players known for their quality and performance. Here are the top five tyre companies in India:

| Company                     | Headquarters | Overview                                                                                                                                                                                                                     |
|-----------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Listed Companies            |              |                                                                                                                                                                                                                              |
| MRF Limited                 | Chennai      | Founded in 1946, MRF is India's largest tyre manufacturer, producing tyres for various vehicles, including heavy-duty trucks, buses, passenger cars, and motorcycles. Renowned for durability and high-performance products. |
| Balkrishna Industries (BKT) | Mumbai       | Incorporated in 1987, BKT specializes in off-highway tyres for sectors like agriculture, construction, and mining, exporting to over 160 countries.                                                                          |
| Apollo Tyres                | Gurgaon      | Incorporated in 1972, Apollo Tyres offers a wide range of tyres under brands like Apollo and Vredestein, catering to passenger and commercial vehicles                                                                       |

| Company              | Headquarters | Overview                                                                                                                                                |
|----------------------|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| JK Tyre & Industries | New Delhi    | Founded in 1918, JK Tyre offers a comprehensive range of tyres and has a strong global presence with manufacturing facilities in India and Mexico.      |
| CEAT Limited         | Mumbai       | Incorporated in 1924, CEAT manufactures tyres for various vehicles, including motorcycles, cars, and trucks, focusing on sustainability and innovation. |

#### India Listed Company's key financials for FY2023-24:

| Company                         | Revenue (₹ Crores) | EBITDA (₹ Crores) | PAT (₹ Crores) | EBITDA Margin (%) | PAT Margin (%) | Face Value (₹) | EPS – Basic (₹) |
|---------------------------------|--------------------|-------------------|----------------|-------------------|----------------|----------------|-----------------|
| MRF Ltd                         | 25,486             | 4,275             | 2,081          | 16.8              | 8.2            | 10.00          | 4907.24         |
| Apollo Tyres Ltd                | 25,377             | 4,470             | 1,721          | 17.6              | 6.8            | 1.00           | 27.11           |
| JK Tyre & Industries Ltd        | 15,001             | 2,122             | 806            | 14.1              | 5.4            | 2.00           | 30.16           |
| CEAT Ltd                        | 11,943             | 1,652             | 635            | 13.8              | 5.3            | 10.00          | 158.87          |
| Balkrishna Industries Ltd (BKT) | 9,368              | 2,704             | 1,471          | 28.9              | 15.7           | 2.00           | 76.12           |

Source: <https://www.bseindia.com/>

The top five tire companies outside India, based on global market share and reputation, are:

| Company Name                                              | Country | Overview                                                                                                                                                                                                                                     | Specialization                                                                                    | Stock Exchange & Ticker           |
|-----------------------------------------------------------|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------------------------|
| Compagnie Generale des Etablissements Michelin (Michelin) | France  | Founded in 1889, Michelin is one of the oldest and most innovative tire manufacturers. It pioneered radial tire technology and is known for high durability, fuel efficiency, and sustainability initiatives.                                | Passenger cars, trucks, motorcycles, bicycles, aircraft, and motorsports (Le Mans, MotoGP).       | Euronext Paris (ML)               |
| Bridgestone Corporation                                   | Japan   | Established in 1931, Bridgestone is the world's largest tire company. It acquired Firestone in 1988, expanding its presence in North America and globally. The company focuses on eco-friendly, high-performance, and smart tire technology. | Passenger vehicles, commercial trucks, buses, construction, and motorsports (Formula 1, IndyCar). | Tokyo Stock Exchange (5108.T)     |
| The Goodyear Tire & Rubber Company                        | USA     | Founded in 1898, Goodyear is a pioneer in tire technology and durability. It supplies tires for various industries, including aviation and motorsports, and has strong partnerships with automakers.                                         | Passenger cars, commercial trucks, aviation, off-road vehicles, and motorsports (NASCAR).         | NASDAQ (GT)                       |
| Continental AG                                            | Germany | Established in 1871, Continental is a leader in tire technology, automotive safety, and braking systems. It specializes in premium and fuel-efficient tires and has a strong focus                                                           | Passenger cars, trucks, industrial vehicles, and specialty tires for EVs and autonomous vehicles. | Frankfurt Stock Exchange (CON.DE) |

| Company Name        | Country | Overview                                                                                                                                                                                                 | Specialization                                                                               | Stock Exchange & Ticker  |
|---------------------|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------------------------|
|                     |         | on sustainability and electric vehicle solutions.                                                                                                                                                        |                                                                                              |                          |
| Pirelli & C. S.p.A. | Italy   | Founded in 1872, Pirelli is synonymous with high-performance and luxury tires. It is the exclusive tire supplier for Formula 1 and has a strong focus on innovation, premium car tires, and motorsports. | High-performance, luxury, and sports car tires (Formula 1, supercars, and premium vehicles). | Borsa Italiana (PIRC.MI) |

### Emerging SME:

In India, several tyre companies are listed on the SME (Small and Medium Enterprises) platforms of stock exchanges. Here are some notable companies:

| Company Name                   | Description                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Emerald Tyre Manufacturers Ltd | Established in 2002, Emerald Tyre specializes in manufacturing, supplying, and servicing a wide range of tyres under the brand name "GRECKSTER." Their product range includes solid resilient tyres, press bands, industrial pneumatic tyres, butyl tubes, flaps, and wheel rims. The company made a strong debut on the NSE SME platform in December 2024, opening at ₹180.50, a 90% premium over its issue price. |
| Dolphin Rubbers Ltd            | Dolphin Rubbers is engaged in the manufacturing of various types of tyres and tubes. Their stock was recently valued at ₹202.30.                                                                                                                                                                                                                                                                                    |
| Viaz Tyres Ltd                 | Viaz Tyres specializes in the production of diverse tyre products. Their stock price was noted at ₹63.00.                                                                                                                                                                                                                                                                                                           |

These companies contribute to the diverse landscape of the tyre manufacturing industry in India, catering to various market segments and customer needs.

## 15. Way Forward

In anticipation of the 2025 Union Budget, the automotive, rubber, and textile industries had specific expectations to bolster growth and address sector-specific challenges. The automotive sector, for instance, hoped for incentives to promote electric vehicle (EV) adoption, reduction in Goods and Services Tax (GST) rates for automobiles, and increased allocation for infrastructure development to support the auto industry.

The rubber industry sought measures such as a reduction in import duties on raw materials, support for domestic rubber cultivation, and incentives for technological advancements in rubber manufacturing. The textile industry anticipated enhanced support through increased budget allocations, continuation of export incentives, reduction in import duties on essential raw materials, and policies to boost competitiveness in the global market. Additionally, the formation of new Rubber Producers Societies (RPS) and farmer clusters should be leveraged to improve price realization and market access. Continuous engagement with policymakers to ensure the timely implementation of announced measures will further strengthen the sector's growth trajectory.

The Budget evoked mixed reactions across these sectors. The automotive industry witnessed positive developments, with stocks of major automakers like Bajaj Auto, Hero MotoCorp, and Maruti Suzuki experiencing gains. This uptick was attributed to increased disposable income resulting from raised income tax thresholds, which was expected to boost consumer spending on automobiles.

## OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section “Forward-Looking Statements” on page 19 for a discussion of the risks and uncertainties related to those statements and the section “Risk Factors” on page 31 for a discussion of certain risks that may affect our business, financial condition or results of operations. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statement included in this Draft Red Herring Prospectus beginning on page 238. Industry and market data used in this section have been extracted from the Infomerics Analytics & Research Report, which has been commissioned by our Company exclusively in connection with the Issue for the purposes of confirming our understanding of the industry in which we operate.

For further details and risks in relation to the Infomerics Analytics & Research Report, see “Risk Factors –We have used information from the Infomerics Analytics & Research Report which we commissioned from Infomerics Analytics & Research Private Limited for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.” on page 31. The Infomerics Analytics & Research Report will form part of the material documents for inspection and is available on the website of our Company at [www.matangirubber.com](http://www.matangirubber.com). The information in the following section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in “Risk Factors”, “Industry Overview”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 31, 125, 238 and 272, respectively.

Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2025, Fiscal 2024 and Fiscal 2023, included herein is derived from the Restated Financial Statement, included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us”, “our” mean “Matangi Rubber Limited and its Material Subsidiary i.e MG Industries Limited”, for further information relating to various defined terms used in our business operations, see “Definitions and Abbreviations” on page 1.

### Overview

Our company was incorporated in the year 2004 as “Matangi Rubber Private Limited” pursuant to Certificate of Incorporation issued by Registrar of Companies, Delhi on June 23, 2004. Further, by passing a special resolution in the extra ordinary general meeting held on November 04, 2024 the company got converted into a public company and the name of the company changed from “Matangi Rubber Private Limited” to “Matangi Rubber Limited” via certificate of incorporation consequent upon conversion to public company issued by the Registrar of Companies, Delhi on November 26, 2024. Further, our company has acquired 97.74% stake in “MG Industries Limited” on 31<sup>st</sup> October, 2024.

We are engaged in the business of manufacturing of tyre-flaps, tubes & rubber compound. These tyre flaps & tubes mainly find their use in commercial vehicles like trucks, buses, and heavy utility vehicles. Whereas, rubber compound is used in manufacturing of other rubber materials. We have in total five manufacturing plants out of which two plants are located at Selaqui (Dehradun, Uttarakhand), two plants at Bhind (Gwalior, Madhya Pradesh) and one plant at Gummidipoondi (Chennai, Tamil Nadu).

### Business Model:

Contract Manufacturing: Contract manufacturing also referred to as outsourcing or third-party manufacturing is a business arrangement in which one company (the client) engages another company (the contract manufacturer) to produce goods on its behalf. As a contract manufacturer, we specialize in the production of tyre flaps. Utilizing raw materials procured specifically for this purpose and employing our in-house manufacturing capabilities, we produce tyre flaps customized with the client’s logo. These finished products are then sold to the respective customers.

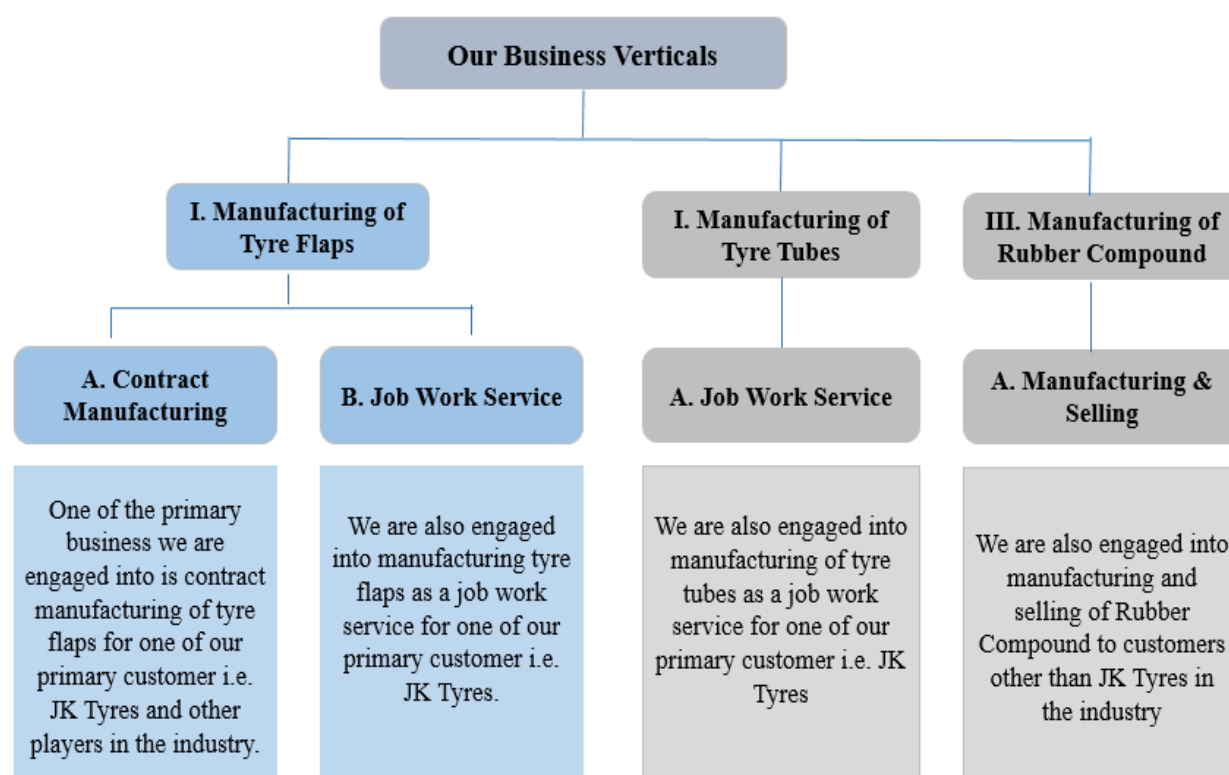
Job Work Service: A business model in which a principal company outsources a specific segment of its manufacturing process to an external manufacturing company. In our case, the production of tyre flaps & tubes to a third-party service



provider. Under this arrangement, we perform the designated processing or conversion work on behalf of the principal company. Wherein, the raw materials are provided by the principal company and we are only responsible for converting such raw material into tyre-flaps or tubes, using our manufacturing facilities for which we receive conversion charges based on the agreed terms from the principal company.

## Our Mission

Our goal is to work closely with tyre companies by offering customized outsourcing solutions that fit their specific needs and help both of us grow. We aim to deliver high-quality and innovative services that make our partners more competitive. Using our outsourcing expertise, we focus on delivering value and helping our clients reach their business goals in a fast-changing market.



In addition to our primary business verticals, we are also engaged, though infrequently and on an opportunistic basis, in the trading of rubber materials and in providing support services to our key customer, JK Tyre & Industries Limited (*JK Tyre*).

We have generated a consolidated revenue of ₹10,137.01 lakhs in Fiscal 2025, ₹9,011.86 lakhs in Fiscal 2024 and ₹8,535.75 lakhs in Fiscal 2023 from operations. We have earned a consolidated Earnings Before Interest, Tax & Depreciation (EBITDA) of ₹2,854.02 lakhs in Fiscal 2025, ₹1,014.98 lakhs in Fiscal 2024 and ₹798.16 lakhs in Fiscal 2023 from operations. We have earned a consolidated Profit after Tax of ₹1,897.91 lakhs in Fiscal 2025, ₹476.06 lakhs in Fiscal 2024 and ₹320.42 lakhs in Fiscal 2023. For further detail, refer “Restated Financials Statements” on page 238.

Below is the table showing break up of Total Income

| (₹in lakhs)                               |                               |                             |                             |
|-------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Particulars                               | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
| <b><u>Contract Manufacturing</u></b>      |                               |                             |                             |
| Tyre Flaps                                | 8,736.32                      | 8,033.28                    | 8,223.02                    |
| (% to total Revenue from operations)      | 86.18%                        | 89.14%                      | 96.34%                      |
|                                           |                               |                             |                             |
| <b><u>Job Work Service</u></b>            |                               |                             |                             |
| Tyre Flaps                                | 261.71                        | 277.46                      | 242.13                      |
| Tyre Tubes                                | 769.94                        | -                           | -                           |
| <b>Total</b>                              | <b>1,031.65</b>               | <b>277.46</b>               | <b>242.13</b>               |
| (% to total Revenue from operations)      | 10.18%                        | 3.08%                       | 2.84%                       |
|                                           |                               |                             |                             |
| <b><u>Manufacturing &amp; Selling</u></b> |                               |                             |                             |
| Rubber Compound                           | 49.10                         | -                           | -                           |
| (% to total Revenue from operations)      | 0.48%                         | 0.00%                       | 0.00%                       |
|                                           |                               |                             |                             |
| <b><u>Other Operating Revenue</u></b>     |                               |                             |                             |
| Sale of Services                          | 156.93                        | -                           | -                           |
| Sale of traded goods                      | 12.01                         | 538.54                      | -                           |
| Sale of Scrap                             | 151.00                        | 162.58                      | 70.60                       |
| <b>Total</b>                              | <b>319.95</b>                 | <b>701.12</b>               | <b>70.60</b>                |
| (% to total Revenue from operations)      | 3.16%                         | 7.78%                       | 0.83%                       |
|                                           |                               |                             |                             |
| <b>Total Revenue from Operations</b>      | <b>10,137.01</b>              | <b>9,011.86</b>             | <b>8,535.75</b>             |

Below is the Table Showing Contribution of Each Business Verticals to the Total Revenue from Operations:

| (₹in lakhs)                               |                               |                             |                             |
|-------------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Particulars                               | Fiscal 2025<br>(Consolidated) | Fiscal 2024<br>(Standalone) | Fiscal 2023<br>(Standalone) |
| <b><u>Contract Manufacturing</u></b>      |                               |                             |                             |
| Tyre Flaps                                | 8,691.32                      | 8,033.28                    | 8,223.02                    |
| (% to total Revenue from operations)      | 85.74%                        | 89.14%                      | 96.34%                      |
|                                           |                               |                             |                             |
| <b><u>Job Work Service</u></b>            |                               |                             |                             |
| Tyre Flaps                                | 306.71                        | 277.46                      | 242.13                      |
| Tyre Tubes                                | 769.94                        | -                           | -                           |
| <b>Total</b>                              | <b>1,076.65</b>               | <b>277.46</b>               | <b>242.13</b>               |
| (% to total Revenue from operations)      | 10.62%                        | 3.08%                       | 2.84%                       |
|                                           |                               |                             |                             |
| <b><u>Manufacturing &amp; Selling</u></b> |                               |                             |                             |
| Rubber Compound                           | 49.10                         | -                           | -                           |
| (% to total Revenue from operations)      | 0.48%                         | 0.00%                       | 0.00%                       |
|                                           |                               |                             |                             |
| <b><u>Other Operating Revenue</u></b>     |                               |                             |                             |
| Sale of Services                          | 156.93                        | -                           | -                           |
| Sale of traded goods                      | 12.01                         | 538.54                      | -                           |
| Sale of Scrap                             | 151.00                        | 162.58                      | 70.60                       |
| <b>Total</b>                              | <b>319.95</b>                 | <b>701.12</b>               | <b>70.60</b>                |
| (% to total Revenue from operations)      | 3.16%                         | 7.78%                       | 0.83%                       |
|                                           |                               |                             |                             |
| <b>Total Revenue from Operations</b>      | <b>10,137.01</b>              | <b>9,011.86</b>             | <b>8,535.75</b>             |

### Products Manufactured at Our Facilities:

| Sr. No. | Product Name    | Image of Product                                                                    | Product Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------|-----------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Tyre Flaps      |    | A tyre flap, also known as a rim flap or inner tube protector, is a rubber strip placed between the inner tube and the rim of a vehicle wheel, typically in heavy-duty vehicles like trucks, buses, or off-road equipment. Its primary function is to protect the inner tube from abrasions, punctures, or damage caused by direct contact with the metal rim, rough edges, or spoke heads. It also helps prevent corrosion of the rim and ensures a better seal for maintaining air pressure. |
| 2.      | Tyre Tubes      |   | Tyre tubes, also known as inner tubes, are inflatable, ring-shaped rubber tubes designed to fit inside a tyre and hold compressed air, maintaining tyre pressure. They are typically made of butyl rubber, known for its air retention properties, and are essential for maintaining the structural integrity and performance of a tyre, especially in tube-type tyres.                                                                                                                        |
| 3.      | Rubber Compound |  | Rubber compound refers to a specially formulated blend of materials that are mixed together to create the rubber used in the manufacturing of the rubber materials. This blend typically includes a combination of natural rubber and/or synthetic rubber, depending on the desired properties of the final product.                                                                                                                                                                           |

### Our Manufacturing Facilities

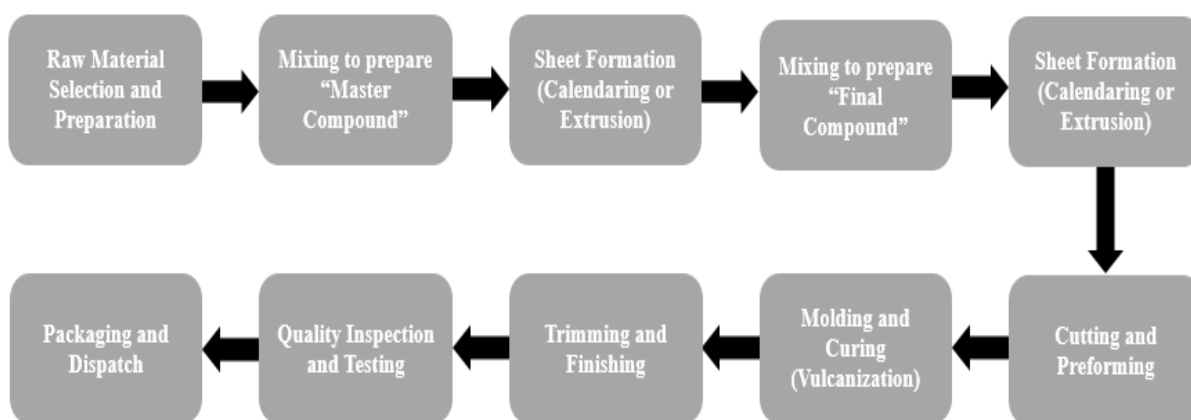
| Plant No. | Location                                                                                               | Product Manufactured         | Status             |
|-----------|--------------------------------------------------------------------------------------------------------|------------------------------|--------------------|
| I         | Khasra No. 1036,1038,1039, Camp Road, Selaqui Industrial Area, Dehradun - 248197, Uttarakhand.         | Tyre Flaps                   | Fully Operational  |
| II        | Plot No. 31 and 32, Sidco Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur - 601201, Tamil Nadu. | Tyre Flaps                   | Fully Operational  |
| III       | Plot No.08, Industrial Area, Malanpur, Bhind - 477117, Madhya Pradesh                                  | Tyre Tubes & Rubber compound | Fully Operational  |
| IV        | Khasra No. 1029 & 1040 Camp Road, Selaqui Industrial Area, Dehradun -248197, Uttarakhand               | Tyre Tubes                   | Under Construction |
| V         | Plot no. 78, Malanpur, Bhind- 477117, Madhya Pradesh.                                                  | 2/3 Wheeler Tyres            | Ongoing Trial Runs |

## **I. Selaqui (Dehradun, Uttarakhand) Plant**

Since 2007, we are engaged into contract manufacturing of tyre flaps at Selaqui (Dehradun, Uttarakhand) facility for one of our primary customer i.e. JK Tyre and other customers in the industry. As a contract manufacturer, we specialize in the production of tyre flaps, utilizing raw materials procured specifically for this purpose and employing our in-house manufacturing capabilities, we produce tyre flaps customized with the client's logo. These finished products are then sold to the respective customers.

### **Process for Contract Manufacturing of Tyre Flaps**

Rubber flaps are essential components used in commercial and heavy-duty vehicles, primarily placed between the tyre and the inner tube. The manufacturing of rubber flaps involves several precise steps, ensuring durability, flexibility, and resistance to wear and tear.



#### **a) Raw Material Selection and Preparation**

The manufacturing process of rubber flaps begins with the careful selection & procurement of raw materials. These flaps are produced using a blend of natural rubber (NR) and synthetic rubbers such as Styrene-Butadiene Rubber (SBR) or Ethylene Propylene Diene Monomer (EPDM), chosen based on the desired performance characteristics. These components are accurately weighed in accordance with precise formulations and prepared for the subsequent mixing stage.

#### **b) Mixing to prepare "Master Compound".**

Rubber compounding is performed using a Banbury mixer (Inter Mix Machine), where raw materials as prepared in the first step are thoroughly blended under controlled temperature and pressure conditions to produce a uniform compound. Ensuring proper dispersion of these raw materials is critical for maintaining consistent product quality.

#### **c) Sheet Formation (Calendaring or Extrusion)**

Following the mixing process, the rubber master compound is processed through Calendaring (Mixing Mill or Extrusion) machines to form continuous sheets. This process is carried out to further ensure proper blending of raw materials. After calendaring, the sheets are cut out in a tile shape after it is cooled down through cooling process. Post this, the master compound undergoes testing to evaluate its rheological and mechanical properties, confirming that it meets the customer specifications.

**d) Mixing to prepare “Final Compound”.**

The master compound in tile shaped form is then feed in a kneader along with various fillers and additives such as carbon black, processing oils and accelerators. Such additional raw materials are added to improve strength, flexibility and processing efficiency of the rubber. The rubber compound prepared under this stage is the Final Compound.

**e) Sheet Formation (Calendaring or Extrusion)**

Following the mixing process, the rubber final compound is processed through calendaring (Mixing Mill or Extrusion) machines to form continuous sheets of a specified thickness. The thickness and width of each sheet are determined by the flap design, which varies depending on the size and type of tyre for which the flaps are made. This process is carried out to further ensure proper blending of raw materials used to prepare final compound. After calendaring, the sheets are feed to a conveyor belt which goes through a cooling process.

**f) Cutting and Preforming**

These rubber sheets are then carried through the conveyor belt, wherein they are cut manually by workers, into the required dimensions based on the design specifications of the flaps.

**g) Molding and Curing (Vulcanization)**

The cut-outs of rubber sheets are placed into compression moulds or hydraulic press, which are preheated to specific curing temperatures, typically ranging from 150°C to 170°C. The vulcanization process is then carried out under controlled heat and pressure for a defined duration, enabling the rubber to undergo crosslinking and develop its final physical properties, such as elasticity, strength, and heat resistance. During this stage, the mold also imparts the final shape, dimensions, and any required branding or surface markings onto the flap.

**h) Trimming and Finishing**

Once cured, the flaps are removed from the mould and cooled. Excess rubber from the edges is trimmed manually to ensure a smooth and uniform finish.

**i) Quality Inspection and Testing**

Each batch of rubber flaps undergoes quality control checks. Tests include visual inspection, dimensional checks, tensile strength, elongation and flexibility. Flaps are also tested for heat resistance and durability under simulated conditions. Further, a hole is punched for valve in the final tyre flaps, before being packed for final delivery.

**j) Packaging and Dispatch**

The flaps are then packed in bundles or boxes based on customer requirements. Proper labeling is done before dispatching to the respective customers. The finished goods (tyre flaps) are either transported by our owned vehicles or it is picked up by the respective customers from the manufacturing plant.

**Manufacturing Capacity & Utilization**

| Particulars           | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-----------------------|-------------|-------------|-------------|
| Annual Capacity (Nos) | 32,40,000   | 32,40,000   | 32,40,000   |
| Production (Nos)      | 22,95,636   | 25,50,124   | 25,35,203   |
| Capacity Utilized (%) | 70.85%      | 78.70%      | 78.25%      |

*Note: The above mentioned utilization are based on the assumption of 300 working days.*

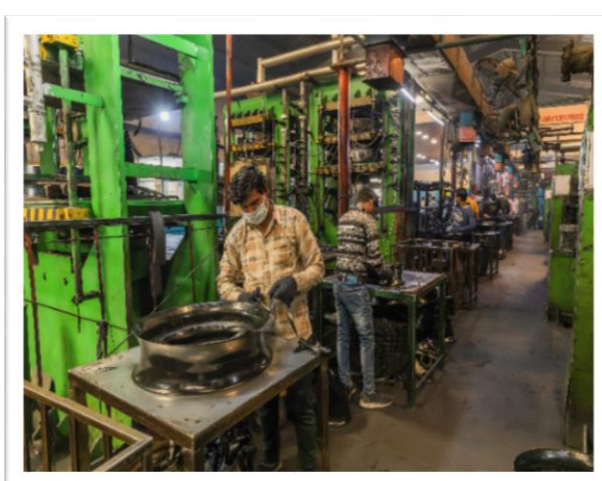
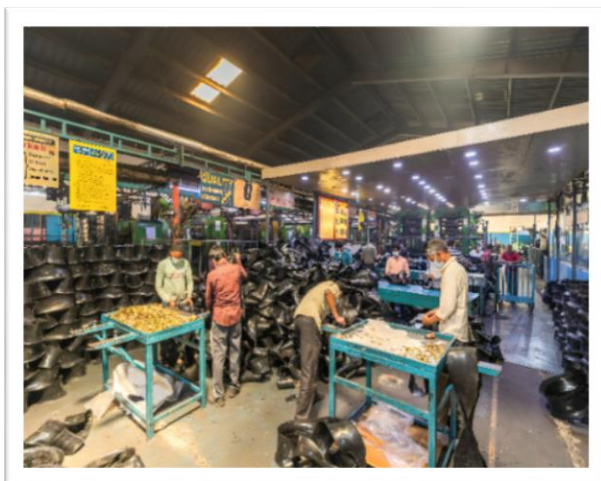
*As certified by Anand Kumar Jain, an Independent Chartered Engineer vide certificate dated April 30, 2025.*

**List of owned major machineries at the plant.**

| <b>Sr. No.</b> | <b>Name of the Machine</b> | <b>Purchase date</b> |
|----------------|----------------------------|----------------------|
| 1.             | Intermix                   | 26/02/2011           |
| 2.             | Kneader-1                  | 24/04/2007           |
| 3.             | Kneader-2                  | 20/01/2015           |
| 4.             | Mixing Mill-1              | 16/04/2007           |
| 5.             | Mixing Mill-2              | 15/06/2007           |
| 6.             | Mixing Mill-3              | 22/06/2007           |
| 7.             | Calendar Mill-4            | 28/12/2007           |
| 8.             | Dump Conveyor              | 15/05/2007           |
| 9.             | Conveyor-1                 | 28/10/2011           |
| 10.            | Conveyor-2                 | 12/01/2012           |
| 11.            | Hydraulic Press-1          | 18/04/2007           |
| 12.            | Hydraulic Press-2          | 29/04/2007           |
| 13.            | Hydraulic Press-3          | 04/12/2007           |
| 14.            | Hydraulic Press-4          | 18/04/2007           |
| 15.            | Hydraulic Press-5          | 19/03/2011           |
| 16.            | Hydraulic Press-6          | 04/12/2007           |
| 17.            | Hydraulic Press-7          | 19/03/2011           |
| 18.            | Hydraulic Press-8          | 19/03/2011           |
| 19.            | Hydraulic Press-9          | 04/12/2007           |
| 20.            | Hydraulic Press-10         | 18/04/2007           |
| 21.            | Hydraulic Press-11         | 18/04/2007           |
| 22.            | Hydraulic Press-12         | 10/01/2008           |
| 23.            | Hydraulic Press-13         | 25/03/2008           |
| 24.            | Hydraulic Press-14         | 07/03/2011           |
| 25.            | Hydraulic Press-15         | 19/03/2011           |
| 26.            | Hydraulic Press-16         | 19/03/2011           |
| 27.            | Hydraulic Press-17         | 28/01/2012           |
| 28.            | Hydraulic Press-18         | 23/05/2014           |
| 29.            | Hydraulic Press-19         | 23/05/2014           |
| 30.            | Hydraulic Press-20         | 23/05/2014           |
| 31.            | Hydraulic Press-21         | 19/03/2011           |
| 32.            | Hydraulic Press-22         | 23/05/2014           |
| 33.            | Hydraulic Press-23         | 19/03/2011           |
| 34.            | Hydraulic Press-24         | 19/03/2011           |
| 35.            | Hydraulic Press-25         | 23/05/2014           |
| 36.            | Hydraulic Press-26         | 23/05/2014           |
| 37.            | Hydraulic Press-27         | 19/03/2011           |
| 38.            | Hydraulic Press-28         | 19/03/2011           |
| 39.            | Hydraulic Press-29         | 19/03/2011           |
| 40.            | Hydraulic Press-30         | 19/03/2011           |
| 41.            | Hydraulic Press-31         | 23/05/2014           |
| 42.            | Hydraulic Press-32         | 23/05/2014           |
| 43.            | Hydraulic Press-33         | 23/05/2014           |
| 44.            | Hydraulic Press-34         | 28/01/2012           |
| 45.            | Hydraulic Press-35         | 28/01/2012           |
| 46.            | Hydraulic Press-36         | 28/01/2012           |
| 47.            | Hydraulic Press-37         | 28/01/2012           |
| 48.            | Hydraulic Press-38         | 28/01/2012           |
| 49.            | Hole Punching-1            | 07/09/2007           |
| 50.            | Hole Punching-2            | 20/06/2008           |

| Sr. No. | Name of the Machine       | Purchase date |
|---------|---------------------------|---------------|
| 51.     | Electrical Transformer    | 05/03/2016    |
| 52.     | Thermal Heater -3         | 02/04/2007    |
| 53.     | Dg Set                    | 23/01/2017    |
| 54.     | Compressor-1              | 19/04/2007    |
| 55.     | Compressor-2              | 28/07/2015    |
| 56.     | Fire Fighting Pump-1      | 12/07/2011    |
| 57.     | Cooling Tower Pump        | 30/04/2007    |
| 58.     | Cooling Tower-2           | 30/04/2007    |
| 59.     | Circulation W. Pump-1     | 30/04/2007    |
| 60.     | Circulation W. Pump-2     | 30/04/2007    |
| 61.     | Hot Air Oven              | 02/05/2015    |
| 62.     | Muffle Furnace            | 02/05/2015    |
| 63.     | Hydro Meter               | 02/05/2015    |
| 64.     | Dig. Pyrometer            | 06/08/2015    |
| 65.     | Hardness Tester           | 06/08/2015    |
| 66.     | Dig. Vernier Caliper      | 06/08/2015    |
| 67.     | Standard Weights          | 02/05/2015    |
| 68.     | Electronic Weighing Scale | 22/06/2007    |
| 69.     | Electronic Weighing Scale | 27/06/2007    |
| 70.     | Electronic Weighing Scale | 28/06/2007    |
| 71.     | Electronic Weighing Scale | 15/11/2007    |
| 72.     | Micro Weighing Scale      | 27/11/2007    |
| 73.     | Electronic Weighing Scale | 23/01/2008    |
| 74.     | Digital Thickness Tester  | 06/08/2015    |
| 75.     | Digital Thickness Tester  | 06/08/2015    |
| 76.     | Tensile Testing Machine   | 06/08/2015    |
| 77.     | Rheometer                 | 06/08/2015    |
| 78.     | Dummbbel Cutter           | 06/08/2015    |
| 79.     | Melting Point Apparatus   | 06/08/2015    |

#### Images of the Plant







#### Revenue generated during the three fiscal years.

(figures in lakhs except stated otherwise)

| Particulars                                         | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-----------------------------------------------------|-------------|-------------|-------------|
| Sale of manufactured goods (contract manufacturing) | 8,516.32    | 8,033.28    | 8,157.25    |

#### Quantity sold during the three fiscal years.

(figures in lakhs except stated otherwise)

| Particulars                       | Qty. | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-----------------------------------|------|-------------|-------------|-------------|
| Total Quantity of Tyre Flaps sold | Nos. | 22.90       | 25.66       | 25.66       |

#### Logistics

The raw material required for manufacturing of tyre flaps is either transported by the vendor vehicles or it is being transported by our owned vehicles. Similarly, the finished goods are either transported by our owned vehicles or it is picked up by the respective customers from the manufacturing plant.

#### Warehousing

We have an in-house warehousing facility in our factory premises situated at the plant, which is dedicated to the storage of both raw materials, finished products and scraps. We produce finished products based on a combination of confirmed and expected orders.

#### Utilities:

##### Power Consumption:

We have made the necessary arrangements for regular uninterrupted power supply at our manufacturing unit and also have power back-up arrangements in place. We have availed a power connection from Uttarakhand Power Corporation Limited (UPCL) with a sanctioned load of 850 KVA, which is sufficient to meet our plant requirement.

#### Water:

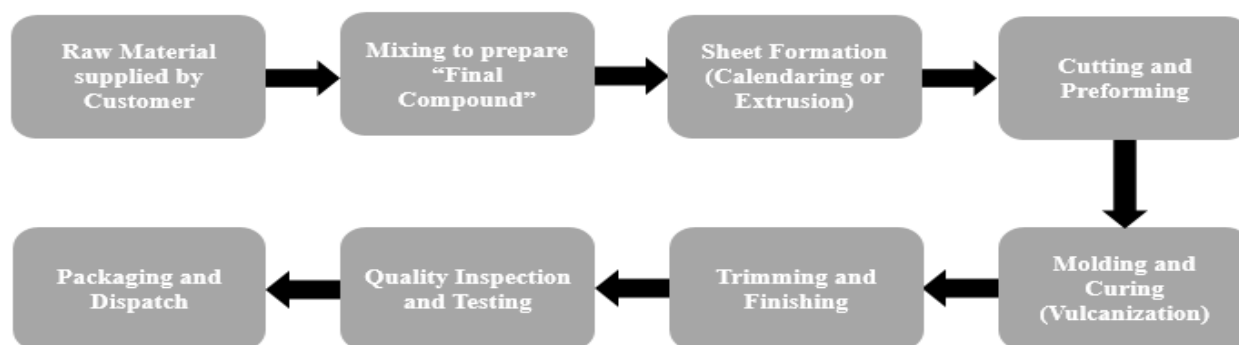
Water is mainly required for the production process, fire, safety, drinking, and sanitation purposes. Company consumes water from Uttarakhand Rural Drinking Water Supply and Sanitation Project

## II. Gummidipoondi (Chennai, Tamil Nadu) Plant

We started operations at this plant in 2014, at Gummidipoondi plant, we are engaged into manufacturing of tyre flaps as a job work service for JK Tyre. Under this arrangement, we perform the designated processing or conversion work on behalf of the JK Tyre. Wherein, the substantial raw materials are provided by JK Tyre and we are only responsible for converting such raw material into tyre-flaps, using our manufacturing facilities & some raw materials purchased on our account (Additives, fillers, processing oil, etc.) for which we receive conversion charges based on the agreed terms from JK Tyre.

We are also engaged into contract manufacturing of Tyre Flaps to small extent at this plant for customers other than JK Tyre. The process of manufacturing Tyre Flaps as a contract manufacturer remains same as explained above for Selaqui Plant (Uttarakhand), other than the fact that the “*Master Compound*” is purchased directly from Vendor instead of being manufactured (through Intermix machine) in house.

### **Process of Manufacturing Tyre Flaps as a Job Work Service:**



#### **a) *Raw Material Supplied by the Customer***

The raw material (Master Compound) for producing the tyre flaps are supplied by the primary customer i.e JK Tyre at the plant location in a rubber sheet form (Tile Shape).

#### **b) *Mixing to prepare "Final Compound"***

The master compound in tile shaped form is then feed in a kneader along with various fillers and additives such as carbon black, processing oils, and accelerators. Such additional raw materials are added to improve strength, flexibility, and processing efficiency of the rubber, which are procured by our company. The rubber compound prepared under this stage is the Final Compound.

#### **c) *Sheet Formation (Calendering or Extrusion)***

Following the mixing process, the rubber final compound is processed through calendaring (mixing Mill or Extruder) machines to form continuous sheets of a specified thickness. The thickness and width of each sheet are determined by the flap design, which varies depending on the size and type of tyre for which the flaps are made. This process is carried out to further ensure proper blending of raw materials used to prepare final compound. After calendaring, the sheets are feed to a conveyor belt which goes through a cooling process.

#### **d) *Cutting and Preforming***

These rubber sheets are then carried through the conveyor belt, wherein they are cut manually by workers, into the required dimensions based on the design specifications of the flaps.

**e) Molding and Curing (Vulcanization)**

The cut-outs of rubber sheets are placed into compression moulds or hydraulic press (Curing Press), which are preheated to specific curing temperatures, typically ranging from 150°C to 170°C. The vulcanization process is then carried out under controlled heat and pressure for a defined duration, enabling the rubber to undergo crosslinking and develop its final physical properties, such as elasticity, strength, and heat resistance. During this stage, the mold also imparts the final shape, dimensions, and any required branding or surface markings onto the flap.

**f) Trimming and Finishing**

Once cured, the flaps are removed from the mould and cooled. Excess rubber from the edges is trimmed manually to ensure a smooth and uniform finish.

**g) Quality Inspection and Testing**

Each batch of rubber flaps undergoes quality control checks. Tests include visual inspection, dimensional checks, tensile strength, elongation, and flexibility. Flaps are also tested for heat resistance and durability under simulated conditions. Further, a hole is punched for valve in the final tyre flaps, before being packed for final delivery.

**h) Packaging and Dispatch**

The flaps are then packed in bundles or boxes based on customer requirements. The primary customer i.e. JK Tyre picks up such finished goods (tyre flaps) from the plant location and in exchange we receive the “conversion charges” in line with the terms entered into with JK Tyre

**Manufacturing Capacity & Utilization**

| Particulars             | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------------|-------------|-------------|-------------|
| Annual Capacity (Nos)   | 10,80,000   | 10,80,000   | 9,60,000    |
| Capacity Utilized (Nos) | 7,36,300    | 7,51,950    | 6,05,690    |
| Capacity Utilized (%)   | 68.18%      | 69.63%      | 63.09%      |

*Note: The above mentioned utilization are based on the assumption of 300 working days.*

*As certified by S. Ranganathan, an Independent Chartered Engineer vide certificate dated 30<sup>th</sup> April, 2025.*

**List of owned major machineries at the plant.**

| Sr. No. | Particulars                     | Purchase date |
|---------|---------------------------------|---------------|
| 1.      | Kneader                         | 03/01/2023    |
| 2.      | Kneader                         | 29/12/2015    |
| 3.      | Feeding Mill                    | 29/12/2015    |
| 4.      | Over Head Conveyor              | 29/12/2015    |
| 5.      | Cooling Conveyor                | 29/12/2015    |
| 6.      | Extruder                        | 06/07/2017    |
| 7.      | Curing Press                    | 07/09/2017    |
| 8.      | Curing Press                    | 23/05/2014    |
| 9.      | Curing Press                    | 23/05/2014    |
| 10.     | Curing Press                    | 07/09/2017    |
| 11.     | Water Pump Monoblock            | 10/10/2018    |
| 12.     | Mill Motor                      | 29/12/2015    |
| 13.     | Boiler                          | 03/06/2014    |
| 14.     | Kneader Motor                   | 06/07/2017    |
| 15.     | Tensile Testing Machine Digital | 12/09/2020    |
| 16.     | Hydraulic Pallet Truck          | 05/07/2017    |
| 17.     | Hydraulic Pallet Truck          | 17/09/2021    |

| Sr. No. | Particulars                       | Purchase date |
|---------|-----------------------------------|---------------|
| 18.     | Air Compressor                    | 16/06/2019    |
| 19.     | Durometer (Shore Hardness Tester) | 17/08/2018    |
| 20.     | Die Tensile Tester                | 17/08/2018    |
| 21.     | Hydro Meter                       | 17/08/2018    |
| 22.     | Lens                              | 17/08/2018    |
| 23.     | Jenil Digital Scale               | 17/08/2018    |
| 24.     | Jenil Digital Scale               | 17/08/2018    |
| 25.     | Hot Air Oven                      | 17/08/2018    |
| 26.     | Rheometer                         | 17/08/2018    |
| 27.     | Air Blower                        | 25/01/2016    |
| 28.     | Hole Punch Machine                | 10/01/2016    |
| 29.     | DG                                | 02/02/2017    |
| 30.     | Moulds                            | 27/04/2015    |
| 31.     | Moulds                            | 31/08/2018    |
| 32.     | Boiler Oil Pump                   | 30/05/2014    |
| 33.     | Blower Motor                      | 26/05/2022    |
| 34.     | Water Pump                        | 26/05/2022    |
| 35.     | Boiler                            | 26/05/2022    |
| 36.     | Weighing Scale                    | 10/05/2017    |
| 37.     | Weighing Scale                    | 10/05/2017    |

#### Images of the Plant





**Revenue generated during the three fiscal years.**

(figures in lakhs except stated otherwise)

| Particulars                                         | Fiscal 2025   | Fiscal 2024   | Fiscal 2023   |
|-----------------------------------------------------|---------------|---------------|---------------|
| Sale of services (Job Work)                         | 216.71        | 277.46        | 242.13        |
| Sale of manufactured goods (Contract Manufacturing) | 175.00        | -             | 65.77         |
| <b>Total Revenue</b>                                | <b>391.71</b> | <b>277.46</b> | <b>307.90</b> |

**Quantity sold during the three fiscal years.**

(figures in lakhs except stated otherwise)

| Particulars                       | Qty. | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-----------------------------------|------|-------------|-------------|-------------|
| Total Quantity of Tyre Flaps sold | Nos. | 7.72        | 6.87        | 6.42        |

**Logistics**

The raw materials are supplied by the JK Tyre at the location of manufacturing facility and the once the tyre flaps are ready for dispatch, the same is picked up by JK Tyre from the plant. Whereas, in case of contract manufacturing of rubber compound the raw materials are supplied by the vendors and the final rubber compound is picked up by the respective customers from the plant, once they are ready for the dispatch.

**Warehousing**

We have an in-house warehousing facility in our factory premises, which is dedicated to the storage of both raw materials, finished products and scraps.

**Utilities:****Power Consumption:**

We have made the necessary arrangements for regular uninterrupted power supply at our manufacturing units and also have power back-up arrangements in place. We have availed a power connection from Tamil Nadu Power Distribution Corporation Limited with a sanctioned load of 150 KW for Chennai, which is sufficient to meet our plant requirement.

**Water:**

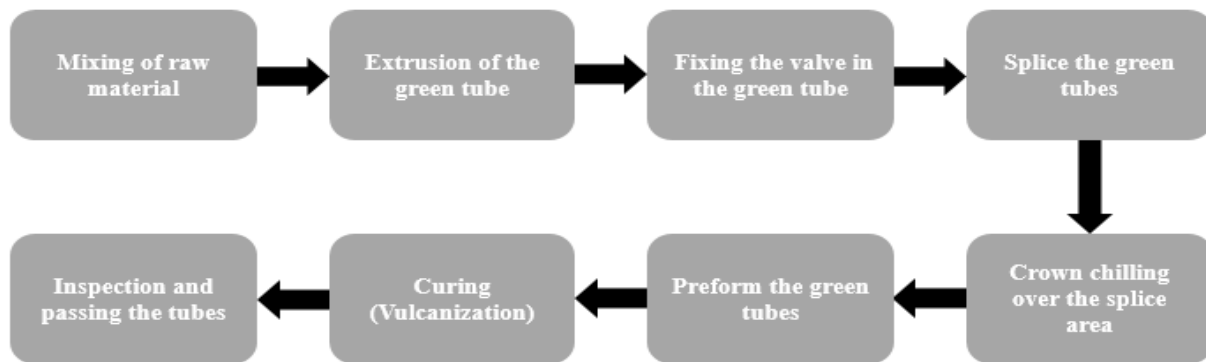
Our company avails the water required for manufacturing and other operational purposes from Sri Krishna Water Supply in the form of water tankers.

**III. Bhind (Gwalior, Madhya Pradesh) Plant**

At this plant we are engaged into manufacturing of tyre tubes as a job work service for JK Tyre. Under this arrangement, we perform the designated processing or conversion work on behalf of the JK Tyre. Wherein, the substantial raw materials are provided by JK Tyre and we are only responsible for converting such raw material into tyre-tubes, using our manufacturing facilities & some raw materials purchased on our account (Additives) for which we receive conversion charges based on the agreed terms from JK Tyre. We are also engaged into manufacturing & selling of Rubber Compound to small extent to customers other than JK Tyre.

At present, the manufacturing of tyre tubes as a job work service is the primary business activity carried out at Bhind (Madhya Pradesh) under the name and board of "MG Industries Limited" (i.e. Material Subsidiary of Matangi Rubber Limited).

## Process of Manufacturing Tyre Tubes



### a) Mixing of raw material:

Rubber cubes (synthetic/natural) are the primary material used for manufacturing of tubes which is supplied to us by JK Tyre. Cubes are mixed with various other additives like Sulphur, carbon black and other chemicals in a proper weight and ratio to get the desired product. The mixing process involves multiple stages, with different chemicals added in each phase to achieve the desired rubber compound. Heat and friction are applied during mixing to soften the rubber and ensure uniform distribution of the chemicals.

### b) Extrusion of the green tube:

The second crucial step involves extruding the green tube. This process entails forcing the compound through a die to shape it into the desired cylindrical form. Skilled technicians control the extrusion process to ensure uniformity in dimensions and consistency in material distribution.

***Note:** Tyre tubes (at initial stage) before being passed through the curing/vulcanization process are called green tube or un-cured tubes in the rubber industry.*

### c) Fixing the valve in the green tube:

In the third stage, our skilled technicians carefully fix the valve into the tube. This crucial step involves precisely positioning the valve assembly at the designated location on the tube. Attention is paid to ensure proper alignment and secure attachment, guaranteeing airtight sealing and optimal functionality of the valve.

### d) Splice (Joint) the green tubes:

In this phase, the skilled technicians splice the green tubes. This critical step involves joining multiple sections of green tubes together to achieve the desired length or configuration. Careful attention is paid to ensure precise alignment and secure bonding between the tube sections. Careful consideration is given to maintain structural integrity and uniformity throughout the splicing process. By executing this step with precision, we ensure that the spliced tubes meet the required specifications and quality standards, providing reliable performance in various applications.

### e) Crown chilling over the splice area:

In this phase of our tube manufacturing process, our skilled technicians perform crown chilling over the splice area. This critical step involves carefully cooling the splice area, typically at the crown or joint, to ensure proper bonding and structural integrity. By executing this process with precision, we enhance the strength and durability of the spliced tubes, ensuring reliable performance in diverse applications.

**f) Preform the green tubes:**

In the subsequent stage of our tube manufacturing process, our skilled technicians preform the green tubes. This essential step involves shaping the green tube into its desired dimensions and configuration before the final curing process. By carefully shaping the green tubes, we lay the foundation for producing tubes that meet the required specifications and quality standards. This preforming ensures that the tubes maintain their structural integrity and performance characteristics during subsequent manufacturing stages and throughout their service life.

**g) Curing (Vulcanization):**

In the subsequent phase, our skilled technicians proceed to cure the tyre according to precise time, temperature, and pressure parameters. This critical step is essential for transforming the green tyre into its final solid form, enhancing its durability and performance characteristics. Optimal curing includes precise control of time, temperature and pressure within the curing chamber. We ensure the optimal vulcanization of the tyre compound, resulting in superior strength and resilience.

**h) Inspection and passing the tubes:**

In the final phase, our skilled inspectors examine and pass the tubes. This critical step involves conducting comprehensive inspections to verify dimensional accuracy, surface quality, and adherence to specifications. Attention is paid to ensure that each tube meets our quality standards before being passed for distribution. Any imperfections or deviations are promptly identified and addressed to uphold the integrity and performance of our tubes.

**Process of Manufacturing & Selling Rubber Compound**

**a) Raw Material Procurement & Preparation**

The manufacturing process of rubber compound begins with the careful selection & procurement of raw materials. These rubber compounds are produced using a blend of natural rubber (NR) and synthetic rubbers such as Styrene-Butadiene Rubber (SBR) or Ethylene Propylene Diene Monomer (EPDM), chosen based on the desired performance characteristics of the final product that will be manufactured by the customers using such rubber compound. These components are accurately weighed in accordance with precise formulations and prepared for the subsequent mixing stage.

**b) Mixing to prepare “Rubber Compound”.**

Rubber compounding is performed using a Banbury mixer (Inter Mix Machine), where raw materials as prepared in the first step are thoroughly blended under controlled temperature and pressure conditions to produce a uniform compound. Ensuring proper dispersion of these raw materials is critical for maintaining consistent product quality.

**c) Sheet Formation (Calendaring or Extrusion)**

Following the mixing process, the rubber compound is processed through Calendaring (Mixing Mill or Extrusion) machines to form continuous sheets. This process is carried out to further ensure proper blending of raw materials. After calendaring, the sheets are cut out in a tile shape after it is cooled down through cooling process. Post this, the final rubber compound undergoes testing to evaluate its rheological and mechanical properties, confirming that it meets the customer specifications.

**d) Selling & Distribution of Rubber Compound**

Once the final rubber compound is ready for dispatch the same is picked up by the respective customers using their own vehicles.



## Manufacturing Capacity

| Particulars             | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-------------------------|-------------|-------------|-------------|
| Annual Capacity (Nos)   | 25,00,000   | 25,00,000   | 25,00,000   |
| Capacity Utilized (Nos) | 23,59,011   | 20,71,629   | 19,39,709   |
| Capacity Utilized (%)   | 94.36%      | 82.87%      | 77.59%      |

*Note: The above mentioned utilization are based on the assumption of 300 working days and product mix As certified by M/s S.K. Paterya, an Independent Chartered Engineer vide certificate dated July 02, 2025.*

**Note:** The above manufacturing capacity is mentioned only for Tyre Tubes, as the Rubber Compound is an integral raw material for manufacturing Tyre Tubes which in turn is sold by company separately at a small scale, no separate manufacturing capacity could be calculated for Rubber Compound, rather the whole capacity of manufacturing Tyre Tubes as mentioned above will depend on product mix as decided by the management.

The capacity mentioned for Bhind (Gwalior, Madhya Pradesh) plant of MG Industries Limited, above is for the whole Fiscal 2025, however for the purpose of consolidation, the revenue & other financial items of only 5 months starting from November 01, 2024 till March 31, 2025 has been considered under consolidated financials as per the applicable financial reporting framework.

## List of owned major machineries at the plant.

| Sr.no | Particulars                                           | Qty | Purchase Date |
|-------|-------------------------------------------------------|-----|---------------|
| 1     | Inter Mix with 160 HP motor & pannnel                 | 1   | 17.02.2011    |
| 2     | Banbury (75 litre)                                    | 1   | 05.02.2022    |
| 3     | Mixing Mill 22"x60" with motor & pannel               | 1   | 05.02.2022    |
| 4     | Mixing Mill 16"x42" with 60 HP motor & pannel         | 1   | 05.02.2022    |
| 5     | 75 Ltrs Kneader with 60 HP motor                      | 1   | 03.07.2022    |
| 6     | 10 " Strainer with 120 Hp motor & Pannel              | 1   | 29.08.2023    |
| 7     | 6" Strainer with 60 motor with pannel                 | 1   | 29.08.2023    |
| 8     | 6" Strainer with 60 motor with pannel                 | 1   | 29.08.2023    |
| 9     | Conveyor with drive                                   | 2   | 20.08.2010    |
| 10    | Leaf Truck                                            | 20  | 09.04.2022    |
| 11    | Valve jamming machine                                 | 10  | 11.04.2022    |
| 12    | L&T splicer with 10 HP motor & pannel                 | 3   | 20.05.2022    |
| 13    | VMI Splicer with 7.5 HP motor & pannel                | 1   | 10.08.2022    |
| 14    | Midland Splicer with 7.5 HP motor & pannel            | 1   | 01.10.2022    |
| 15    | FAMM Splicer with 7.5 HP motor & pannel               | 1   | 08.11.2022    |
| 16    | Two Wheeler Splicing machine( Double section)         | 2   | 08.11.2022    |
| 17    | 65" Hydraulic Tube curing press with motor and pannel | 1   | 03.08.2023    |
| 18    | 75" Hydraulic Tube curing press with motor and pannel | 4   | 13.02.2022    |
| 19    | 55" Tube curing press with motor and pannel           | 18  | 20.08.2022    |
| 20    | 45" Tube curing press with motor and pannel           | 13  | 20.08.2022    |
| 21    | 32" Tube curing press with motor and pannel           | 1   | 20.08.2022    |
| 22    | 32" hydraulic Tube curing press with motor and pannel | 3   | 20.08.2022    |
| 23    | 28 " Double cavity hydraulic press motor & pannel     | 5   | 23.03.2028    |
| 24    | Core fixing machine with motor                        | 8   | 10.07.2021    |
| 25    | Valve Bending machine                                 | 8   | 10.07.2021    |
| 26    | Splice streching machine                              | 1   | 20.05.2022    |
| 27    | Splice streching machine                              | 1   | 25.06.2022    |
| 28    | Water testing machine                                 | 1   | 01.07.2022    |
| 29    | Chillers                                              | 16  | 01.08.2022    |

| Sr.no | Particulars                            | Qty | Purchase Date |
|-------|----------------------------------------|-----|---------------|
| 30    | Air compressore                        | 2   | 19.07.2022    |
| 31    | Thermic Fluid heater 10Lac kilo caliry | 1   | 22.10.2012    |
| 32    | Process Pump 15 hp                     | 3   | 19.05.2021    |
| 33    | Tranfer Pump 15 Hp                     | 2   | 19.05.2021    |
| 34    | Vacuum Pump 15 HP                      | 3   | 19.05.2021    |
| 35    | Cooling tower                          | 1   | 18.04.2023    |
| 36    | Valve heating chamber                  | 4   | 11.04.2022    |
| 37    | 1500 kva Transformer                   | 1   | 30.04.2011    |
| 38    | Fork Lift                              | 1   | 29.09.2021    |
| 39    | Oscillating Disc Rheometer             | 1   | 18.02.2009    |
| 40    | Hydro Meter ( 0.600 to 0.700)          | 1   | 17.08.2021    |
| 41    | Hydro Meter (0.700 to 0.800)           | 1   | 17.08.2021    |
| 42    | Hydro Meter ( 0.800 to 0.900)          | 1   | 17.08.2021    |
| 43    | Hydro Meter (0.900 to 1.000)           | 1   | 17.08.2021    |
| 44    | Hydro Meter (1.000 to 1.100)           | 1   | 17.08.2021    |
| 45    | Hydro Meter (1.100 to 1.200)           | 1   | 17.08.2021    |
| 46    | Hydro Meter (1.200 to 1.300)           | 1   | 17.08.2021    |
| 47    | PH Meter ( 0 to 10)                    | 1   | 09.07.2021    |
| 48    | Tension Set Frames                     | 1   | 30.08.2022    |

#### Images of the Plant



**Revenue generated during the period mentioned below.**

(figures in lakhs except stated otherwise)

| Particulars                                  | Fiscal 2025   |
|----------------------------------------------|---------------|
| Sale of services (Job Work)                  | 769.94        |
| Sale of manufactured goods (Rubber Compound) | 49.10         |
| <b>Total Revenue</b>                         | <b>819.04</b> |

**Note:** MG Industries Limited became subsidiary in October 31, 2024, the revenue & other financial items of only 5 months starting from November 01, 2024 till March 31, 2025 has been considered under consolidated financials as per the applicable financial reporting framework.

**Quantity sold during the period mentioned below.**

(figures in lakhs except stated otherwise)

| Particulars                       | Qty. | Fiscal 2025 |
|-----------------------------------|------|-------------|
| Total Quantity of Tyre Tubes sold | Nos. | 11.77       |

**Logistics**

The substantial raw materials are supplied by the JK Tyre and other raw materials (additives) are supplied by vendors at the location of manufacturing facility and the once the tyre tubes/ rubber compound are ready for dispatch, the same is picked up by JK Tyre / respective customers from the plant.

**Warehousing**

We have an in-house warehousing facility in our factory premises situated at Bhind (Gwalior, Madhya Pradesh), which is dedicated to the storage of both raw materials, finished products and scraps.

**Utilities****Power Consumption:**

We have made the necessary arrangements for regular uninterrupted power supply at our manufacturing units and also have power back-up arrangements in place. We have availed the power supply for the manufacturing facility is obtained from Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited with the sanctioned load of 1000 KVA on 33 KV line which is sufficient to meet our plant requirement.

**Water:**

Water is mainly required for the production process, fire, safety, drinking, and sanitation purposes. Our Company avails water required from MP Industrial Development Corporation Limited.

**IV. Selaqui (Dehradun, Uttarakhand) - Tube Plant (Under Construction)**

This Tube plant has been constructed adjacent to the existing Tyre Flap plant in Selaqui. At this plant we have planned to engage into contract manufacturing of tyre tubes for our corporate customers. This new tyre tube plant at Selaqui (Dehradun, Uttarakhand) will be operated under the name & board of “MG Industries Limited” (i.e. Material Subsidiary of Matangi Rubber Limited).



#### V. Bhind (Gwalior, Madhya Pradesh) Tyre Plant (Ongoing Trial Runs)

In order to diversify our operations to include the manufacturing of 2/3 Wheeler Tyres, we have set up a manufacturing facility for 2/3 Wheeler Tyres at Bhind (Gwalior, Madhya Pradesh) which is currently undergoing various trial runs before beginning the actual commercial production.

At this plant we have planned to engage into contract manufacturing of 2/3 Wheeler Tyres for our primary corporate customer JK Tyre from whom we have received an order for 2,00,000 Tyres per month (*As per the letter of intent with JK Tyre dated May 25, 2023*) as well as manufacture and sell of 2/3 Wheeler Tyres. This new 2/3 Wheeler Tyres plant will be operated under the name & board of “Matangi Rubber Limited”.

#### Manufacturing Capacity

| Particulars                              | As on 1 <sup>st</sup> June, 2025 |
|------------------------------------------|----------------------------------|
| Annual Installed Capacity (No. of Tyres) | 2,25,000 per month               |

*As certified by M/s S.K. Paterya, an Independent Chartered Engineer vide certificate dated June 01, 2025.*

#### List of owned major machineries at the plant.

| Sr.no | Particulars                                | Purchase Date |
|-------|--------------------------------------------|---------------|
| 1     | K4 Intermix – Chamber Volume 84 Ltr. 2 Nos | 23.09.2023    |
| 2     | Bale Cutter                                | 27.03.2025    |
| 3     | Extruder 6’’ – 150 MM Cold free Extruder   | 05.04.2025    |
| 4     | 04 Roll Calendar                           | 29.03.2025    |



| Sr.no | Particulars           | Purchase Date |
|-------|-----------------------|---------------|
| 5     | Bead Binding M/C      | 19.04.2025    |
| 6     | Tyre Building M/C     | 22.11.2023    |
| 7     | Curing Press          | 06.10.2023    |
| 8     | Boiler Capacity 5 TPH | 02.03.2025    |
| 9     | DG 1500 KVA (Nos)     | 12.03.2025    |
| 10    | DG 750 KVA (Nos)      | 12.03.2025    |
| 11    | Forklift              | 15.03.2025    |
| 12    | Manual hydraulic      | 10.03.2025    |
| 13    | Screw Compressor      | 29.03.2025    |

### Images of the Plant



The information relating to the installed capacity of our Manufacturing Facilities, as included above and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates that have been considered by the Chartered Engineer(s) for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the rubber industry after examining the calculations and explanations provided by us. The assumptions and estimates taken into account include the following: (i) Number of working days: 300 (ii) Product Mix

Actual production levels and utilization rates may vary from the capacity information of our Manufacturing Facilities included in this Draft Red Herring Prospectus and undue reliance should not be placed on such information. Please see “Risk Factor No. 4 “Our Business is dependent and will continue to be dependent on our manufacturing units. Any disruption, breakdown or failure of machinery, disruption to power sources or any unplanned or temporary shutdown of our manufacturing units capacities and an inability to effectively utilize our expanded production capacity, may have a material adverse effect on our business, results of operations, financial condition and cash flows.” on page 31.

## **RAW MATERIAL PROCUREMENT:**

We procure raw materials in accordance with the specifications mentioned by our primary customer i.e JK Tyre and other customers. Conduct incoming inspections to verify the quality of the delivered raw materials, ensuring observance to established specifications. For this business we require following types of rubber, carbon black, chemicals, fillers, oils.

| <b>Sr. No.</b> | <b>Description</b>               |
|----------------|----------------------------------|
| 1.             | Synthetic Rubber                 |
| 2.             | Natural Rubber                   |
| 3.             | Carbon Black                     |
| 4.             | Rubber Chemicals                 |
| 5.             | Fibre Reinforced Rubber Compound |
| 6.             | Poly Fill                        |
| 7.             | Processed Oil                    |

We usually do not enter long-term supply contracts with any of our raw material suppliers. The raw material is purchased in the spot market based on the rates offered by various suppliers.

Natural Rubber rates are published daily at The Rubber Board Website ([www.rubberboard.org.in](http://www.rubberboard.org.in)) and Synthetic Rubber Prices are published fortnightly by Reliance Industries Ltd. and ISRL (JV of Indian Oil Corporation)

## **STRENGTHS**

### ***Experienced Promoter and Key Managerial Personnel***

Our Board of Directors, complemented by a team of qualified functional heads and key managerial personnel who actively contribute to shaping our strategic trajectory, overseeing day-to-day operations of our business development initiatives has over 20 years of experience. Our Promoter and Managing Director Mr. Mohit Gupta brings expertise in understanding the dynamics of the tyre industry, where his role has been instrumental in the growth and development of our business.

The expertise of our promoters and senior management team adds a layer of depth, enabling us not only to comprehend and anticipate market trends but manage our business operations and expansion, nurture customer relationships and adeptly respond to shifts in the business landscape and evolving customer preferences.

In addition to our Promoters, our Board of Directors comprises Independent Directors, each bringing a qualification from various fields such as secretarial & Compliance and legal. This collective expertise ensures a well-rounded approach to decision-making and governance. Simultaneously, our key managerial personnel have experience in finance, legal, secretarial and business development.

### ***Track Record of Consistent Financial Performance***

We have delivered consistent financial performance over the years with healthy growth in revenue and profitability, our company has generated the revenue of ₹10,137.01 lakhs, ₹9,011 lakhs and ₹8,535.75 lakhs for Fiscal 2025, fiscal 2024 and fiscal 2023 respectively. The revenue from operations has grown at CAGR of 8.98% since fiscal 2023. We

have generated the profits of ₹1,897.91 lakhs, ₹476.03 lakhs and ₹320.42 lakhs for Fiscal 2025, fiscal 2024 and fiscal 2023 respectively.

| <b>(₹ In Lakhs)</b>     |                                       |                                     |                                     |
|-------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>Particulars</b>      | <b>Fiscal 2025<br/>(Consolidated)</b> | <b>Fiscal 2024<br/>(Standalone)</b> | <b>Fiscal 2023<br/>(Standalone)</b> |
| Revenue from Operations | 10,137.01                             | 9,011.86                            | 8,535.75                            |
| Total Income            | 10,475.75                             | 9,126.51                            | 8,645.08                            |
| Profit Before Tax       | 2,517.47                              | 662.12                              | 458.04                              |
| Profit after Tax        | 1,897.91                              | 476.03                              | 320.42                              |

### ***Long-Standing Relationships with Customers***

The company has strong standing relationship with primary customer i.e. JK Tyre, we sell flap and tubes to this primary customer. The long-term relationships signify a foundation built on trust, reliability, and a consistent track record of delivering significant value. Such associations often translate into repeat business, and additional opportunities for growth and collaboration.

### ***Business Model and Ability to Mitigate Operational Risk***

We consider our competitive advantages which is evident from our operational efficiency, facilitating timely deliveries and maintaining quality control measures. These factors have been instrumental in developing relationships within the industry, resulting in significant growth in our operations. We are into contract manufacturing and Job Work to supply Tyre flaps and tubes to JK Tyre and other customers in the industry. We possess manufacturing expertise with over 20 years of experience in the industries which helps us to be recognized as trusted partner for supply of flaps and tubes.

We have strong financial performance which supports us in mitigating the risk of business arising out of macro and micro factors in industry and business. We have generated a consolidated revenue of ₹10,137.01 lakhs, ₹9,011 lakhs and ₹8,535.75 lakhs for Fiscal 2025, fiscal 2024 and fiscal 2023 respectively from its operations. We have earned a consolidated Earnings Before Interest, Tax & Depreciation (EBITDA) of ₹2,854.02 lakhs in Fiscal 2025, ₹1014.98 lakhs in Fiscal 2024 and ₹798.16 lakhs in Fiscal 2023 from its operations. We have earned a consolidated Profit after Tax of ₹1,897.91 lakhs in Fiscal 2025, ₹476.06 lakhs in Fiscal 2024 and ₹320.42 lakhs in Fiscal 2023. For further detail, refer “Restated Financial Statements” on page 238.

## **STRATEGIES**

### ***Diversification into Tyre Manufacturing***

We have diversified our operations to include the manufacturing of 2 Wheeler Tyres. We are under process of setting up a manufacturing facility at Bhind (Gwalior, Madhya Pradesh). With our experience in the Tyre & rubber industry, we are confident in our ability to deliver superior rubber tyres to the market. Our manufacturing capabilities have been carefully developed to ensure efficiency and quality. We envision employing our expertise and market insights to expand our footprint, and capture new market segments. For images of the plant refer “*Our Manufacturing Facilities – Plant V Bhind (Gwalior, Madhya Pradesh)*” on page 190.

### ***Establishing New Plant for Tube Manufacturing***

We are under process of setting up a manufacturing facility for producing Tyre Tubes at Selaqui (Dehradun, Uttarakhand) adjacent to the existing Tyre Flap manufacturing plant. Utilizing our current expertise and experience into the Tyre & rubber industry, we are envisaging to increase our revenue share from the tube manufacturing activity. For images of the plant refer “*Our Manufacturing Facilities – Plant IV Selaqui (Dehradun, Uttarakhand)*” on page 189 of the Draft Red Herring Prospectus.



### ***Diversification into Recycled Rubber***

The company is intending to diversify its operations into recycling of rubber. This move positions us favorably in terms of sourcing primary raw materials, which will be readily available at a cost-effective price. Considering our core business, as the manufacturer of Rubber Products this new vertical will afford us an advantage in the procurement of raw materials and facilitate the realization of economies of scale. This arrangement is controlled to enhance our overall operational efficiency and competitiveness in the market. For more details refer section “Objects of the Issue” on page 101.

### **Competition**

Our industry being a large and global industry, we face competition from various domestic and international players. The industry which we cater to is highly competitive, organized and also fragmented with many small and medium sized companies and entities. We compete with organized as well as unorganized sector on the basis of our capability to supply products with quality consistency, competitive pricing, catering to niche customer segment, service back up and product range, availability of product, product quality and product range with special benefits to customers.

Our competitors are tyre majors from India and overseas, regional mid-size players from organized and unorganized manufacturers. We continually strive to upgrade our competency to respond to the competitive forces effectively. We intend to continue working vigorously to spread our market share and manage our growth in an optimal way.

### **Health and Safety**

We are committed to following best practices and complying with all applicable health, safety and environmental legislation and other requirements in our operations.

Employee health and safety is of high importance to us. Any mishaps or accidents at our facilities could lead to property damage, production loss, adverse publicity and accident claims. We deploy a safety and health program consistent with good operating practices and maintain compliance with applicable safety and health regulations. Additionally, in order to ensure safety at our workplace we carry out regular identification and assessment of risks, accessible first-aid health facilities and conduct a program of safety and health inspections to discover and correct unsafe working, conduct awareness sessions to increase safety awareness and promote safe working practices.

### **Insurance**

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure event. We may also be subject to product liability claims if the products that we manufacture are defective or not in compliance with regulatory standards and the terms of our contractual arrangements. We maintain ongoing insurance policies in order to manage the risk of losses from potentially harmful events, interalia includes insurance for Fire, Earthquake, Theft, Personal effects of employees, directors and visitors.

### **Human Resources**

The following table sets forth a breakdown of our employees by function as on May 31, 2025:

| Sr. No. | Department                | Delhi | Dehradun | Chennai | Gwalior | Total |
|---------|---------------------------|-------|----------|---------|---------|-------|
| 1.      | Purchase                  | 1     | 0        | 0       | 0       | 1     |
| 2.      | Operations and Management | 1     | 63       | 13      | 61      | 138   |
| 3.      | Finance/Accounts          | 5     | 2        | 1       | 1       | 9     |
| 4.      | Legal                     | 1     | 0        | 0       | 0       | 1     |
| 5.      | Sales and Marketing       | 1     | 0        | 0       | 0       | 1     |
| 6.      | HR & Administration       | 6     | 1        | 0       | 1       | 8     |
| 7.      | Information Technology    | 1     | 0        | 0       | 0       | 1     |

| Sr. No. | Department | Delhi | Dehradun | Chennai | Gwalior | Total |
|---------|------------|-------|----------|---------|---------|-------|
| Total   |            | 16    | 66       | 14      | 63      | 159   |

### Intellectual Property

As on the date of Draft Red Herring Prospectus, Our Company has applied for following trademarks:

| S. No. | Particulars of Mark | Word/ Label Mark | Applicant   | Trademark Application Number | Date of Filing    | Class | Status of Application |
|--------|---------------------|------------------|-------------|------------------------------|-------------------|-------|-----------------------|
| 1.     | MAXSTONE            | Word             | The Company | 6877067                      | February 25, 2025 | 12    | Pending               |
| 2.     | MAXSTONE            | Word             | The Company | 6877068                      | February 25, 2025 | 17    | Pending               |
| 3.     | CENTYRE             | Word             | The Company | 6896411                      | March 10, 2025    | 12    | Pending               |
| 4.     | EMAREL              | Word             | The Company | 6896410                      | March 10, 2025    | 12    | Pending               |
| 5.     | EMGEE               | Word             | The Company | 6896409                      | March 10, 2025    | 12    | Pending               |
| 6.     | MAXJET              | Word             | The Company | 6896413                      | March 10, 2025    | 12    | Pending               |
| 7.     | MIGE                | Word             | The Company | 6896414                      | March 10, 2025    | 12    | Pending               |
| 8.     | TREADSTONE          | Word             | The Company | 6896412                      | March 10, 2025    | 12    | Pending               |
| 9.     | CENTYRE             | Word             | The Company | 6896441                      | March 10, 2025    | 17    | Pending               |
| 10.    | EMAREL              | Word             | The Company | 6896440                      | March 10, 2025    | 17    | Pending               |
| 11.    | EMGEE               | Word             | The Company | 6896439                      | March 10, 2025    | 17    | Pending               |
| 12.    | MAXJET              | Word             | The Company | 6896443                      | March 10, 2025    | 17    | Pending               |
| 13.    | MIGE                | Word             | The Company | 6896444                      | March 10, 2025    | 17    | Pending               |
| 14.    | TREADSTONE          | Word             | The Company | 6896442                      | March 10, 2025    | 17    | Pending               |

For risks related to the same, please refer “Risk Factor” no. 18 on page 31

### Corporate Social Responsibility

The CSR Committee was established through a resolution passed by our Board on May 30, 2025 aligning with the provisions outlined in Section 135 of the Companies Act, 2013.

Consequently, we have adopted a Corporate Social Responsibility (“CSR”) policy in compliance that confirms with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government and amended periodically. This policy defines the company's dedication and methodology toward Corporate Social Responsibility, emphasizing the ethos of 'Giving Back to Society'

For the period ended on March 31, 2025 our corporate social responsibility expenditure amounted to ₹10.44 lakh. This financial commitment encompasses contributions directed toward Swachh Paryavaran Trust towards tree plantation drive in Delhi.

#### List of owned properties

| Sr. No. | Property                                                                                         | Total Area       | Purpose              |
|---------|--------------------------------------------------------------------------------------------------|------------------|----------------------|
| 1.      | Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun - 248197, Uttarakhand. | 48,599.05 Sq. Ft | Manufacturing Plant  |
| 2.      | Khasra No. 1029 & 1040 Camp Road, Selaqui Industrial Area, Dehradun -248197, Uttarakhand,        | 21,257.75 Sq. Ft | Not Operational*     |
| 3.      | Plot No. 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur - , 601201, Tamil Nadu | 7,425 Sq. Ft     | Manufacturing Plant  |
| 4.      | Plot No 80, Ward No 7, Industrial Area, Malanpur, Bhind - 477117, Madhya Pradesh                 | 72,453.82 Sq. Ft | Recycling of Rubber# |

\* The property measuring 1,500 sq. feet is rented for a term of 11 months commencing from January 21, 2025 till December 20, 2025 at a rent of ₹ 25,000/- per month to MG Industries Limited.

#to be funded from the proceeds of the IPO

#### List of properties taken on lease/rent

| Sr. No. | Description of Property                                                                             | Lessor/Licensor                            | Lease Area         | Lease Amount (in ₹)  | Validity                                                          | Purpose             |
|---------|-----------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------|----------------------|-------------------------------------------------------------------|---------------------|
| 1.      | Plot no. 78, Malanpur, Bhind, Madhya Pradesh, 477117                                                | Madhya Pradesh Industrial Corporation Ltd. | 1,79,563.55 Sq. Ft | 93,456/- per annum   | 99 years (Commencing from August 28, 1990 till August 27, 2089)   | Manufacturing Plant |
| 2.      | 4 <sup>th</sup> Floor, Unit No. 401, Southern Park, Saket District Centre, New Delhi, Delhi, 110017 | M/s Arica Sourcing Private Limited         | 3,112 Sq. Ft       | 3,73,440/- per month | 5 years (Commencing from September 01, 2024 till August 31, 2029) | Registered Office   |
| 3.      | Plot No.31 Sidco Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201         | M/S S.S Engineering Works                  | 5,600 Sq. Ft       | 64,200/- per month   | 11 months (Commencing from 01.05.2025 till 30.04.2026)            | Factory             |

*[The remainder of this page has intentionally been left blank]*

## KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the section titled “Our Business” on page 172 of this Draft Red Herring Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 303 of this Draft Red Herring Prospectus.*

Our Company is engaged in the business of manufacturing tyre-flaps and tubes from natural and synthetic rubber. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s business. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### A. INDUSTRY RELATED LEGISLATION

#### 1. *The Factories Act, 1948 (“Factories Act”)*

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory. The Factories Act requires that the occupier of a factory, i.e., the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory, such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. The Factories Act also provides for fines to be paid and imprisonment of the manager of the factory in case of any contravention of the provisions of the Factories Act.

#### 2. *The Electricity Act, 2003 (“Electricity Act”)*

The Electricity Act was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

### 3. *The Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011*

The Legal Metrology Act, 2009 (“**Legal Metrology Act**”) replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act inter-alia requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, to obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Legal Metrology Act inter-alia provides that any person who is required to obtain a license under the Legal Metrology Act or the rules made thereunder, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid license, will be punished in the first instance with fine and for a subsequent offence, with imprisonment and/or fine.

In this regard, the Legal Metrology (Packaged Commodities) Rules, 2011 (“**LM Rules**”) were framed which lays down specific provisions governing the packaging and labelling of commodities. These rules are applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and registration of manufacturers, packers and importers. Also, States may frame State specific rules under the Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, stipulating the manner of notifying government authorities, fees for compounding of offences etc. Further, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications regarding verification of weights and measures specified therein by Government approved test centers.

### 4. *Bureau of Indian Standards Act, 2016*

The Bureau of Indian Standards Act, 2016 (“**BIS Act**”) provides for the establishment of the Bureau of Indian Standards (“**BIS**”) for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

### 5. *Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957*

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain 108 requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

### 6. *The Rubber Act, 1947 (“Rubber Act”)*

The Rubber Act is an Indian legislation that provides for the development under the control of the Union of the rubber industry. The Rubber Act empowers the Central Government to regulate the quality, production, supply,

and distribution of raw rubber. It also establishes the Rubber Board as the primary regulatory body responsible for implementing the provisions of The Rubber Act. The Rubber Board has various functions, including promoting the development of the rubber industry, granting general and special licenses, encouraging scientific research, and improving the marketing of rubber. Every general license is published by the Rubber Board in the Official Gazette and in such newspapers as directed by the Rubber Board, while the special license is accorded for a limited period and is subject to extension by the Rubber Board. In the event of default of the provisions of the Rubber Act, there are provisions for imprisonment as well as fine or both.

## **B. EMPLOYEE AND LABOUR RELATED LEGISLATIONS**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following:

- (i) The Contract Labour (Regulation and Abolition) Act, 1970;
- (ii) The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986
- (iii) Relevant state specific shops and commercial establishment legislations;
- (iv) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- (v) The Employees' State Insurance Act, 1948;
- (vi) The Minimum Wages Act, 1948;
- (vii) The Payment of Bonus Act, 1965;
- (viii) The Payment of Gratuity Act, 1972;
- (ix) The Payment of Wages Act, 1936;
- (x) The Maternity Benefit Act, 1961;
- (xi) The Right of Persons with Disabilities Act, 2016;
- (xii) The Apprenticeship Act, 1961;
- (xiii) The Equal Remuneration Act, 1976;
- (xiv) The Employees' Compensation Act, 1923; and
- (xv) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

- **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely– the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

- **Industrial Relations Code, 2020**

Industrial Relations Code, 2020 consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- **Code on Social Security, 2020**

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972.

It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

- **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

## **C. TAX RELATED LAWS**

### **1. *Income-tax Act, 1961***

Income-tax Act, 1961 ("**IT Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### **2. *Central Goods and Services Tax Act, 2017***

The Central Goods and Services Tax Act, 2017 ("**CGST Act**") regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **3. *Integrated Goods and Services Tax Act, 2017***

Integrated Goods and Services Tax Act, 2017 ("**IGST Act**") is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

### **4. *The Customs Act, 1962 and the Customs Tariff Act, 1975***

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.



## 5. *Professional Tax*

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## 6. *Foreign Trade (Development and Regulation) Act, 1992 and the Foreign Trade (Regulation) Rules, 1993 (“FT Rules”)*

In India, the main legislation concerning foreign trade is Foreign Trade (Development and Regulation) Act, 1992 (“FTA”). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

## D. INTELLECTUAL PROPERTY LAWS

### 1. *The Trademarks Act, 1999*

Under the Trademarks Act, 1999 (“**Trademarks Act**”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **E. ENVIRONMENTAL LAWS**

### **1. *The Environment Protection Act, 1986 and the Environment (Protection) Rules, 1986 and the Environmental Impact Assessment Notification, 2006***

The Environmental Protection Act, 1986 (“**EP Act**”) is an “umbrella” legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with “environment” defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects. Additionally, under the Environmental Impact Assessment Notification, 2006 and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

### **2. *The Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974 (“**the Water Act**”) prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board (“**State PCB**”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **3. *The Water (Prevention & Control of Pollution) Cess Act, 1977 (the “Water Cess Act”) and the Water (Prevention & Control of Pollution) Cess Rules, 1978 (the “Water Cess Rules”)***

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the central and State PCB for the prevention and control of water pollution constituted under the Water Act. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

### **4. *The Air (Prevention and Control of Pollution) Act, 1981***

The Air (Prevention and Control of Pollution) Act, 1981 (“**the Air Act**”) requires that any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent. The Air Act prescribes penalties for contravention in terms of fine, imprisonment or both.

### **5. *Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016 (the “Hazardous Wastes Rules”)***

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-

exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

**6. *The Public Liability Insurance Act, 1991 (“Public Liability Act”)***

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government of India by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute a sum equal to the premium paid on the insurance policies towards the environment relief fund.

**7. *The Noise Pollution (Regulation and Control) Rules, 2000 (the “Noise Pollution Rules”)***

The Noise Pollution Rules regulate and control the noise producing and generating sources including from industrial activity and sets ambient air quality standards in respect of noise for different areas/zones. The Noise Pollution Rules provide for penalties in accordance the EP Act for use of loudspeakers, public address system, among others, in a silence zone or area.

**F. OTHER APPLICABLE LAWS**

**1. *The Companies Act, 2013***

The Companies Act, 2013 (“**Companies Act**”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

**2. *Consumer Protection Act, 2019 and the rules made thereunder (“Consumer Protection Act”)***

The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a manufacturer, traders, and service providers in cases of unfair trade practices, restrictive trade practices, deficiency in services, unlawful pricing and serving of food that may be hazardous to life. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. It places liability on a product manufacturer/product service provider/product seller to compensate for the harm caused due to a defective product or deficiency in services. The key features of the Consumer Protection Act include wider definition of “consumer”, enhancement of pecuniary jurisdiction, flexibility in e-filing complaints, imposition of product liability, wider definition of unfair trade practices, and provision for alternative dispute resolution. Consumer Protection Act provides for penalties for, amongst others, manufacturing for sale or storing, selling, or distributing or importing products containing adulterants and for publishing false or misleading advertisements.

**3. *The Transfer of Property Act, 1882***

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“**T.P. Act**”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **Sale:** The transfer of ownership in property for a price, paid or promised to be paid.
- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses

#### 4. ***The Registration Act, 1908***

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

#### 5. ***The Indian Contract Act, 1872***

The Indian Contract Act, 1872 (“**Contract Act**”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### 6. ***The Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

#### 7. ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### 8. ***Competition Act, 2002***

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition

Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## **9. Legislations pertaining to Stamp Duty**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain States in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

## **G. REGULATIONS REGARDING FOREIGN INVESTMENT**

### **The Foreign Exchange Management Act, 1999**

Foreign investment in India is governed by the Foreign Exchange Management Act, 1999 (“**FEMA**”) as amended along with rules, regulations and notifications made by the Reserve Bank of India thereunder. The Department of Industry and Internal Trade (“**DPIIT**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“**FDI Policy**”) with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in prohibited sectors) in Indian companies either through the automatic route or the government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In case where government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian Company.

Our Company is engaged in the business of manufacturing tyre-flaps and tubes from natural and synthetic rubber. The FDI Policy issued by the DIPP permits foreign investment up to 100% in the manufacturing sector under the automatic route. No approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of equity Shares under this Issue. Our Company will be required to make certain filings with the RBI after the completion of the Issue.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was originally incorporated as a Private Limited Company in the name and style of “Matangi Rubber Private Limited” under the provisions of the Companies Act, 1956 on June 23, 2004 vide Certificate of Incorporation issued by Registrar of Companies, Delhi and Haryana, bearing CINU74999DL2004PTC127108. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on November 04, 2024 and the name of the company was changed to “Matangi Rubber Limited” and a fresh Certificate of Incorporation was issued by Registrar of Companies, Central Processing Centre, bearing CIN: U74999DL2004PLC127108 dated November 26, 2024.

For information on the Company’s activities, market, growth and managerial competence, please see the chapters “Our Management”, “Our Business” and “Industry Overview” beginning on pages 213, 172 and 125 respectively of this Draft Red Herring Prospectus.

### Changes in our Registered Office

At present our registered office is located at Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi – 110017. Prior to this, following change were made in the location of our registered office:

| Effective Date of change | Particulars                                                                                                     | Reason for change                  |
|--------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------|
| On Incorporation         | 411,412, 4 <sup>th</sup> floor, Ansal Tower, 38, Nehru Place, New Delhi-110019                                  | -                                  |
| August 08, 2008          | 83, Anand Lok, Sadik Nagar, South Delhi, Delhi - 110049                                                         | Due to administrative convenience. |
| December 28, 2011        | 14/6, Siri Fort Institutional Area, South Delhi, New Delhi - 110049                                             | Due to Administrative convenience  |
| January 06, 2014         | D-151 A (Basement), Defense Colony, South Delhi, Delhi - 110024                                                 | Due to Administrative convenience  |
| November 20, 2024        | Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi - 110017 | Due to Administrative convenience  |

### Our Main Object(s)

1. To carry on the business as manufacturers of and dealers in all types of synthetic rubbers and elastomers, synthetic resin, latexes and formulations thereof including reclaimed rubber and all kinds of rubber products and goods.
2. To construct, produce, prepare, manufacture, press, vulcanize, repair retread, purchase, sell, import, export and generally to deal in all types of tyres, and semi- tyres for any type of vehicles for heavy, light and passenger transport, cars, trucks, buses, jeeps, vans, motor cycles, scooters, cycles, rickshaws and animal drawn vehicles, agricultural tractors, trollies of all kinds, industrial tyres and solid tyres, heavy duty tyres used in earth moving equipments (bulldozers etc.), aeroplanes, inner tubes, flaps, camel back, repair materials in general, technical articles and other various appliances and goods made with natural, synthetic and reclaimed rubber their derivatives and substitutes, rubber latex, synthetic resins furthermore all the products and by- products.
3. To carry on all or any of the business, such as manufacture of all types of articles in rubber or other like gums or the same in combination with any metallic or non- metallic substances, dealers, agents, importers and exporters for the same.
4. To construct, produce, prepare, manufacture, press, purchase, sell, import, export, and generally to deal in all types of raw materials required for the manufacture, preparation and production of all types of tyres and semi tyres for



any types of vehicle, including natural, synthetic and reclaimed rubber, their derivatives and substitutes, rubber latex, synthetic, resins and carbon black.

5. To manufacture, produce, prepare, press, vulcanize, repair, retread, export, import, purchase, sell and to carry on business in tyres and semi tyres for different types of vehicles including buses omnibuses, charabancs trucks, lorries, auto mobiles, motor cycles, cycles, tractors, aeroplanes and also in industrial tyres, inner tubes flaps, miscellaneous repair materials and other articles and appliances, made with or from natural or synthetic rubber, its compounds, substances, derivatives and substitutes.
6. To carry on the business of manufacturers of and dealers in all varieties of rubber, India rubber, synthetic rubber and in compounds made from rubber and the by-products of rubber.

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

#### **Amendments to our Memorandum of Association**

Since incorporation, the following changes have been made to our Memorandum of Association:

| <b>Date of Shareholders Approval</b> | <b>Amendment</b>                                                                                                                                                                                                                                                                              |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| November 05 ,2005                    | Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹10,00,000 divided into 1,00,000 Equity Shares of face value of ₹10 each to ₹ 1,00,00,000 divided into 10,00,000 Equity Shares of face value of ₹10 each.       |
| March 25, 2008                       | Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹1,00,00,000 divided into 10,00,000 Equity Shares of face value of ₹10 each to ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of face value of ₹10 each.    |
| May 28, 2008                         | Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹1,50,00,000 divided into 15,00,000 Equity Shares of face value of ₹10 each to ₹ 2,00,00,000 divided into 20,00,000 Equity Shares of face value of ₹10 each.    |
| December 26, 2022                    | Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹2,00,00,000 divided into 20,00,000 Equity Shares of face value of ₹10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹10 each.    |
| November 04, 2024                    | Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹5,00,00,000 divided into 50,00,000 Equity Shares of face value of ₹10 each to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of face value of ₹10 each. |
| November 04, 2024                    | To Adopt New sets of Memorandum of Association in order to align it with the provision of the Companies Act, 2013.                                                                                                                                                                            |
| November 04, 2024                    | Clause I of the MoA was substituted to reflect the change in the name of the Company from “Matangi Rubber Private Limited” to “Matangi Rubber Limited”.                                                                                                                                       |

#### **Major events and milestones in the history of our Company**

| <b>Year</b> | <b>Key Milestones</b>                                                          |
|-------------|--------------------------------------------------------------------------------|
| 2004        | Incorporation of Matangi Rubber Private Limited.                               |
| 2007        | Inaugurated Rubber Flap plant at Selaqui (Dehradun).                           |
| 2011        | Expansion of Rubber Flap Plant Capacity for OEM suppliers.                     |
| 2014        | Inaugurated new plant at Gummidipoondi (Chennai).                              |
| 2023        | Started construction of new manufacturing plant for 2/3 wheeler tyre at Bhind. |



| Year | Key Milestones                                                                                               |
|------|--------------------------------------------------------------------------------------------------------------|
| 2024 | Conversion into Public limited Company and MG Industries Limited becomes material Subsidiary of the company. |

### **Corporate profile of our Company**

For details in relation to our corporate profile including details of our business, activities, services, market, growth, competition, launch of key products and services, entry into new geographies or exit from existing markets, if any, suppliers, customers, capacity buildup, technology, and managerial competence, see “Risk Factors”, “Our Business”, “Our Management” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 31,172,213, and 272, respectively.

### **Significant financial and/or strategic partners**

Our Company does not have any significant financial and/or strategic partners as on the date of this Draft Red Herring Prospectus.

### **Time and cost over-runs**

There has been no time or cost over-runs in respect of our business operations as on the date of this Draft Red Herring Prospectus.

### **Defaults or re-scheduling, restructuring of borrowings with financial institutions or banks**

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company’s borrowings.

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc. in past years**

There have been no mergers, amalgamation, revaluation of assets etc. with respect to our Company in the past years.

### **Number of shareholders of our Company**

Our Company has (16) Sixteen Shareholders as on the date of this Draft Red Herring Prospectus.

### **Shareholders’ agreement and other agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

### **Inter-se agreements between Shareholders**

As on the date of this Draft Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements, agreements and clauses / covenants which are material in nature and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also, there are no other agreements, deed of assignments, acquisition agreements, shareholders’ agreement, inter-se agreements, agreements of like nature.

### **Other agreements**

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Non-Compete agreement**

Our Company has not entered into any non-compete agreement as on the date of filing this Draft Red Herring Prospectus.

### **Details of Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

### **Joint Ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

### **Associate**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company.

### **Subsidiary of our Company**

As on the date of this Draft Red Herring Prospectus, we have two subsidiaries namely MG Industries Limited and Fresca Recycling Technologies Private Limited.

#### **1. MG Industries Limited**

##### *Corporate Information*

MG Industries Limited was incorporated as private limited company under the Companies Act, 1956 pursuant to a certificate of registration issued by the Registrar of Companies, Delhi and Haryana on January 07, 1997 bearing CIN: U25111DL1997PTC084285. Subsequently, our Company was converted into a Public Limited Company under the Companies Act, 2013 pursuant to a special resolution passed by the shareholders of our Company on August 01, 2024 and the name of the company was changed to “MG Industries Limited” and a fresh Certificate of Incorporation was issued by Registrar of Companies, Central Processing Centre, bearing CIN: U25111DL1997PLC084285 dated September 13, 2024.

##### *Nature of business*

1. The main object of the MG Industries Limited is to carry on business as manufacturers of and dealers in all type of synthetic rubbers and elastomers, synthetic resins, plastics, latines and formulations thereof including reclaimed rubber and all kinds of rubber and plastic products and goods.
2. To construct, produce, prepare, manufacture, press, vulcanize, repair retreat purchase sell, import, export and generally to deal in all types of tyres, and semi tyres for any type of vehicles for heavy, light and passenger transport cars, trucks, buses, jeeps, vans, motor cycles, scooters, cycles, rickshaws and animal drawn vehicles, agricultural tractors, trollies of all kinds, Industrial tyres and solid tyres, heavy duty tyres used in earth moving equipment (bulldozers etc.), airplanes, inner lubes, flaps, camel back, repair materials in general, technical articles and other various appliances and goods made with natural, synthetic and reclaimed rubber their derivatives and substitutes, rubber latex, synthetic resins and plastics in general, and furthermore all the products and by products including textiles, metals, valves, rims and chemicals in general and all components and accessories relating to tyres and tubes or industry and commerce in general in India or elsewhere.
3. To carry on all or any of the business, such as manufacture of all types of articles in rubber or other like gums or the same in combination with any metallic or non-metallic substances, dealers, agents, importers and exporters for the same.
4. To construct, produce, prepare, manufacture, press, purchase, sell, Import, export, and generally to deal in all types of raw materials required for the manufacture, preparation and production of all types tyres and semi tyres for any

type of vehicle, including natural, synthetic and reclaimed rubber, their derivatives and substitutes, rubber latex, synthetic resins and plastics, carbon black, accelerators, bead wire, textiles and canvas, cotton fabric, rayon tyre cord and rayon fabric, nylon filament, nylon yam, nylon tyre cord and nylon fabric, conveyor belts, transmission belts, industrial V belts, hoses, foam rubber shoes.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of MG Industries Limited is ₹ 8,00,00,000 divided into 80,00,000 equity shares of ₹ 10 each, and the issued, subscribed, and paid-up share capital is ₹1,07,43,090 divided into 10,74,309 equity shares of ₹ 10 each.

### *Shareholding pattern*

The shareholding pattern of MG Industries Limited is as follows:

| Sr. No. | Name of Shareholder                          | No. of Shares    | (%)        |
|---------|----------------------------------------------|------------------|------------|
| 1.      | Matangi Rubber Limited                       | 10,50,000        | 97.75      |
| 2.      | Mohit Gupta                                  | 22,278           | 2.07       |
| 3.      | Vandana Rubber and Chemicals Private Limited | 1,000            | 0.09       |
| 4.      | Vantage Research Services Private Limited    | 1,000            | 0.09       |
| 5.      | Radhika Gupta                                | 10               | 0.00       |
| 6.      | Alissa Nanak Sheth                           | 10               | 0.00       |
| 7.      | Qualimax Electronics Private Limited         | 10               | 0.00       |
| 8.      | Manju Gupta                                  | 1                | 0.00       |
|         | <b>Total</b>                                 | <b>10,74,309</b> | <b>100</b> |

### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of MG Industries Limited that have not been accounted for by the Company.

## **2. Fresca Recycling Technologies Private Limited**

### *Corporate Information*

Fresca Recycling Technologies Private Limited was incorporated as private limited company under the Companies Act, 2013 pursuant to a certificate of registration issued by the Registrar of Companies on December 04, 2024 bearing CIN U46699DL2024PTC439586.

### *Nature of business*

The main object of the Fresca Recycling Technologies Private Limited is

1. To carry in India or elsewhere the business of refinement and purifying of recovered and reclaimed carbon black by the process of Pyrolysis, Waterjet, Cryogenics and/or Nano technology and also carry out recycling of end-of-life tyres, waste rubber, plastic and any other similar raw material by the method of Pyrolysis, Waterjet, Cryogenics and/or Nano technology.
2. To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, remanufacturing, processing, assembling, trading, marketing, repairing, distilling, refining, treating, storage, export, import, recycling, dealing and distribution in all kind of recovered and reclaimed carbon black, rubber products, plastics, chemicals, chemical products, batteries, automotive parts, automotive spares, automotive components, automotive equipment's, automotive accessories, automotive aftermarket products, automotive solutions, lubricants, oils and any other allied products / services / solutions in market segments such as e-mobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto.

3. To carry on business of plastic and rubber recycling and as dealers in raw materials, resins, goods and articles connected with the plastic and rubber manufacturing industry.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Fresca Recycling Technologies Private Limited is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each, and the issued, subscribed, and paid-up share capital is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each.

#### *Shareholding pattern*

The shareholding Pattern of Fresca Recycling Technologies Private Limited is as mentioned below:

| Sr. No. | Name of Shareholder    | No. of Shares | (%)        |
|---------|------------------------|---------------|------------|
| 1.      | Matangi Rubber Limited | 9500          | 95.00      |
| 2.      | Mohit Gupta            | 500           | 5.00       |
|         | <b>Total</b>           | <b>10,000</b> | <b>100</b> |

#### *Amount of accumulated profits or losses*

There are no accumulated profits or losses of Fresca Recycling Technologies Private Limited that have not been accounted for by the Company

#### **Launch of key products or services, entry in new geographies or exit from existing markets**

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter “Our Business” on page 172 of this Draft Red Herring Prospectus.

#### **Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception.

#### **Changes in the activities of our Company during the last five years**

There has been no change in the business activities of our Company during the last five years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **Changes in the management**

For details of change in management, please see the section ‘Changes in our Board during the last three years’ in the chapter titled “Our Management” on page 213 of this Draft Red Herring Prospectus.

#### **Changes in accounting policies in last three (3) years**

There have been no changes in accounting policies of our Company in last three years.

#### **Guarantees provided by our Promoters**

Except as disclosed in the chapter titled “Financial Indebtedness” on page 288 of this Draft Red Herring Prospectus our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

### **Special Rights**

That no special rights are available to the Promoters or Shareholders in the AoA, at the time of filing of the Draft Red Herring Prospectus.

### **Agreements with Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee**

As on the date of the Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Details of Public Issues in last 5 years**

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past.

### **Other Confirmations**

Articles of Association (AoA) does not give any special rights of any kind to any person.

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## OUR MANAGEMENT

### Board of Director

In terms of the Companies Act and our Article of Association of our Company is required to have not less than three Directors and not more than fifteen Directors.

As on the date of this Draft Red Herring Prospectus, Our Board comprises of One Managing Director, One Joint Managing Director, One Executive Women Director and Three Independent Director. For details on the strength of our Board, as permitted and required under the AoA, see “Main Provisions of Articles of Association” on page 386 of this Draft Red Herring Prospectus.

Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act in relation to the composition of our Board and its committees thereof.

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN                                                                                                                                                                                                                                                                                                                                                                                                         | Other Directorships/Designated Partner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1)      | <p><b>Name:</b> Mohit Gupta</p> <p><b>Date of Birth:</b> February 02, 1973</p> <p><b>Age:</b> 52 years</p> <p><b>Designation:</b> Chairman and Managing Director</p> <p><b>Address:</b> 83, Anand Lok, Sadiq Nagar, South Delhi, Delhi -110049</p> <p><b>Period of Directorship:</b> Director since January 07, 2005</p> <p><b>Term:</b> Five years from January 07,2025 till January 06,2030</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00103720</p> | <p><b>A. Private Companies</b></p> <ul style="list-style-type: none"> <li>• Fresca Recycling Technologies Private Limited.</li> <li>• S2M Investment Partners Private Limited.</li> <li>• Vandana Rubber and Chemicals Private Limited.</li> <li>• Vikram Polymers Private Limited.</li> <li>• Vantage Research Services Private Limited.</li> <li>• Punit Marketing Private Limited.</li> <li>• Maldon Marketing Private Limited.</li> <li>• East Coast Ispat Private Limited.</li> <li>• Vantage Brands Private Limited.</li> <li>• Royal Resources Holdings Private Limited.</li> <li>• Sarla Oil Private Limited.</li> <li>• Moonriver Designs Private Limited.</li> <li>• Qualimax Electronics Private Limited</li> <li>• Siddhi Tyre Products India Private Limited.</li> <li>• Adelphi Tyres Private Limited.</li> </ul> <p><b>B. Public Companies</b></p> <ul style="list-style-type: none"> <li>• Khumor Investments Limited.</li> <li>• MG Industries Limited</li> </ul> <p><b>C. Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• MGSK Advisors LLP.</li> </ul> |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN                                                                                                                                                                                                                                                                                                                                                                                               | Other Directorships/Designated Partner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>(The MGSK Advisors LLP has applied for strike off dated June 09, 2025 and the same is under process.)</p> <ul style="list-style-type: none"> <li>• Moonriver Interiors LLP.</li> </ul> <p><b>D. Foreign Companies</b></p> <p>Nil.</p>                                                                                                                                                                                                                                                                                                                                                                        |
| 2)      | <p><b>Name:</b> Radhika Gupta</p> <p><b>Date of Birth:</b> February 23, 1978</p> <p><b>Age:</b> 47 years</p> <p><b>Designation:</b> Joint Managing Director</p> <p><b>Address:</b> 83, Anand Lok, Sadiq Nagar, South Delhi, Delhi -110049</p> <p><b>Period of Directorship:</b> Director since June 23, 2004</p> <p><b>Term:</b> Five years from March 15, 2022 till March 14, 2027</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00284631</p> | <p><b>A. Private Companies</b></p> <ul style="list-style-type: none"> <li>• Vantage Research Services Private Limited.</li> <li>• Vandana Rubber and Chemicals Private Limited.</li> <li>• Vantage Brands Private Limited.</li> <li>• Punit Marketing Pvt Limited</li> </ul> <p><b>B. Public Companies</b></p> <ul style="list-style-type: none"> <li>• Mohali Petrochem Limited.</li> </ul> <p><b>C. Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Moonriver Interiors LLP</li> </ul> <p><b>D. Foreign Companies</b></p> <p>Nil</p>                                          |
| 3)      | <p><b>Name:</b> Manju Gupta</p> <p><b>Date of Birth:</b> November 29, 1951</p> <p><b>Age:</b> 73 years</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> 83, Anand Lok, Sadiq Nagar, South Delhi, Delhi -110049</p> <p><b>Period of Directorship:</b> Director since June 23, 2004</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00124974</p>                              | <p><b>A. Private Companies</b></p> <ul style="list-style-type: none"> <li>• Vikram Polymers Private Limited</li> <li>• East Coast ISPAT Private Limited</li> <li>• Moonriver Designs Private Limited</li> <li>• Qualimax Electronics Private Limited.</li> </ul> <p><b>B. Public Companies</b></p> <ul style="list-style-type: none"> <li>• Zuari Industries Limited</li> <li>• Paxton Estate Management Services Limited.</li> </ul> <p><b>C. Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Moonriver Interiors LLP</li> </ul> <p><b>D. Foreign Companies</b></p> <p>Nil</p> |



| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN                                                                                                                                                                                                                                                                                                                                                                                                  | Other Directorships/Designated Partner                                                                                                                                                                                                                             |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4)      | <p><b>Name:</b> Sanjeev Bhatia</p> <p><b>Date of Birth:</b> July 30, 1962</p> <p><b>Age:</b> 62 years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 169, Vaishali, Pitampura, North West Delhi, Delhi - 110088</p> <p><b>Period of Directorship:</b> Director since May 30, 2025</p> <p><b>Term:</b> Five years from May 30, 2025 till May 29, 2030</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 10819388</p>       | <p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <ul style="list-style-type: none"> <li>• ASPEE Springs Limited.</li> </ul> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p> |
| 5)      | <p><b>Name:</b> Ajit Kumar Upadhyay</p> <p><b>Date of Birth:</b> August 09, 1988</p> <p><b>Age:</b> 36 years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Viillage Chaubepur, Pira Ghat, Kaimur (Bhabua) - 802132, Bihar</p> <p><b>Period of Directorship:</b> Director Since May 30, 2025</p> <p><b>Term:</b> Five years from May 30, 2025 till May 29, 2030</p> <p><b>Nationality:</b> Indian</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 11103211</p> | <p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p> <p>NIL</p>                                                                 |
| 6)      | <p><b>Name:</b> Sunil Kumar Singh</p> <p><b>Date of Birth:</b> December 27, 1966</p> <p><b>Age:</b> 58 years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> A 578, Panchsheel Nagar, Ajmer, regional College Ajmer 305004, Rajasthan.</p> <p><b>Period of Directorship:</b> Director Since May 30, 2025</p>                                                                                                                                                         | <p><b>A. Private Companies</b></p> <p>NIL</p> <p><b>B. Public Companies</b></p> <p>NIL</p> <p><b>C. Limited Liability Partnership</b></p> <p>NIL</p> <p><b>D. Foreign Companies</b></p>                                                                            |

| <b>Sr. No.</b> | <b>Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN</b>                                                                | <b>Other Directorships/Designated Partner</b> |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
|                | <b>Term:</b> Five years from May 30, 2025 till May 29, 2030<br><br><b>Nationality:</b> Indian<br><br><b>Occupation:</b> Professional<br><br><b>DIN:</b> 11119400 | NIL                                           |

#### **Brief profiles of our Directors:**

##### **Mohit Gupta**

He is the Promoter and Managing Director of the Company. He holds degree of Bachelor of Applied Science (Applied Science: Management and Technology) and degree of Bachelor of Applied Science (Finance) from University of Pennsylvania in year 1994. He is associated with our company since 2005. He has 20 years of experience in the field of Rubber and Tyre Industry.

##### **Radhika Gupta**

She is the Promoter and Joint Managing Director of the Company. She holds Bachelor's Degree of Law from King's College, London in the year 1999 and Master's of Science from Columbia University New York in the year 2010. She has been associated with our Company since inception. She has an experience of 20 years in the field of Rubber and Tyre Industry.

##### **Manju Gupta**

She is the Promoter and Executive Director of the Company. She obtained a Bachelors of Arts from Punjab University in 1971. She has been associated with our Company since 2004 and possesses over 20 years of experience in the Rubber Industries. Previously, she is associated with Zuari Industries Limited as an Independent Director.

##### **Ajit Kumar Upadhyay**

He is an Independent Director of the Company. He completed his graduation in Commerce from University of Calcutta. He is the associate member of the Institute of Company Secretaries of India since 2016. With about 9 years of experience in Corporate and Legal Compliance field, he held positions at several organisations, including Chaudhary Timber Industries Private Limited, Pragati Papers Industries Limited, Young Optimistic Transport Solutions Private Limited.

##### **Sanjeev Bhatia**

He is an Independent Director of the Company. He holds Bachelor of Arts (Honours Course) and Master of Arts in Economics from University of Delhi in the year 1983 and 1985 respectively. He completed the degree of Master of Business Administration from University of Delhi in the year 2006. Previously, he was associated with PC Jewellers Limited as CFO. He has over 16 years of experience in the field of Accounting and Finance.

##### **Sunil Kumar Singh**

He is an Independent Director of the Company. He holds degree of Bachelor's in law from Government College, Ajmer in the year 1991. Additionally, holds Master of Law, from Jai Narain Vyas University, Jodhpur in 1996. He is the member of The Bar Council of Rajasthan since 1991. He has experience of more than 25 years in Legal field.

## Confirmations:

### As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b) Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

## Arrangements or understanding with major shareholders, customers, suppliers or others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the directors or KMPs were selected as a director or KMP or member of a senior management as on the date of this Draft Red Herring Prospectus.

## Nature of any family relationship between our directors

Except as stated below none of our Directors are related to each other, or to any of the Key Managerial Personnel or Senior Management.;

| Name of Director | Relation with | Relationship |
|------------------|---------------|--------------|
| Manju Gupta      | Radhika Gupta | Mother       |
| Manju Gupta      | Mohit Gupta   | Mother       |
| Mohit Gupta      | Radhika Gupta | Brother      |
| Mohit Gupta      | Manju Gupta   | Son          |
| Radhika Gupta    | Mohit Gupta   | Sister       |
| Radhika Gupta    | Manju Gupta   | Daughter     |

## Details of Borrowing Powers of Directors

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on June 18, 2025 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deemed fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100 crores (Rupees Hundred Crores Only).

### Compensation of our Managing Director

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act for the time being in force).

### Terms of Appointment of our Managing Director and Executive Director

| Particulars                                      | Mohit Gupta       | Rashika Gupta           | Manju Gupta        |
|--------------------------------------------------|-------------------|-------------------------|--------------------|
| Re-appointment/Appointment/Change in Designation | January 07, 2025  | March 15, 2022          | June 23, 2004      |
| Current Designation                              | Managing Director | Joint Managing Director | Executive Director |
| Terms of Appointment                             | 5 Years           | 5 Years                 | -                  |
| Remuneration & Perquisites (Amount in lakhs)     | ₹ 93.00           | ₹ 93.00                 | ₹ 93.00            |

### Bonus or Profit-Sharing Plan for our Directors

We have no bonus or profit-sharing plan for our directors.

### Contingent or deferred compensation payable to our directors.

As on the date of this Draft Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

### Sitting Fees

Independent Directors of the company may be paid sitting fees, commission, and any other amounts as may be decided by our board in accordance with the provisions of the Articles of Association, the Companies Act, and other applicable laws & regulations. Since the Independent Directors are appointed in current financial year, none of our Independent Directors have received any remuneration/ compensation during preceding financial year.

### Shareholding of our Directors in our Company

Our Articles do not require our directors to hold any qualification shares.

Except as disclosed below, none of our directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

| Particulars   | Number of Equity Shares of face value of ₹10 each | % of Pre-Issue Equity Share Capital |
|---------------|---------------------------------------------------|-------------------------------------|
| Radhika Gupta | 49,30,500                                         | 47.92                               |
| Mohit Gupta   | 16,02,144                                         | 15.57                               |
| Manju Gupta   | 13,72,500                                         | 13.34                               |
| <b>Total</b>  | <b>79,05,144</b>                                  | <b>76.83</b>                        |

### Interest of our Directors

Our Directors are interested in our Company in the following manner:

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as sitting fees and commission, if any, payable to them for attending meetings of our Board and committees thereof.

Our Directors may be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. For further details, please refer to chapter titled “Our Management – Shareholding of directors in our Company” and “Capital Structure” beginning on pages 213 and 87 respectively of this Draft Red Herring Prospectus. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the equity shares held by them.

Some of our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business, including for purchase of packaging materials. For further details, please see “Restated Financial Statement-Related Party Transactions” on page 238

Except for Mohit Gupta, Manju Gupta and Radhika Gupta, who may be deemed to be interested in the promotion or formation of our Company, none of our Directors have any interest in promotion or formation of our Company. For further details, please refer to chapter titled “Our Promoter and Promoter Group” beginning on page 228 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

#### **Interest of Directors in the property of Our Company**

None of our Directors are interested in any property acquired by our Company or proposed to be acquired by our Company.

#### **Changes in our Board during the last three years**

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

| <b>Name</b>         | <b>Date of Appointment / Re - Appointment</b>                    | <b>Reason for Change</b>                                                      |
|---------------------|------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Mohit Gupta         | Re-appointed for term of 5 years w.e.f January 07, 2025          | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| Sanjeev Bhatia      | Appointed as Additional Independent Director w.e.f. May 30, 2025 | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| Ajit Kumar Upadhyay |                                                                  |                                                                               |
| Sunil Kumar Singh   |                                                                  |                                                                               |
| Sanjeev Bhatia      | Regularization as Independent Director on June 18, 2025          | -                                                                             |
| Ajit Kumar Upadhyay |                                                                  |                                                                               |
| Sunil Kumar Singh   |                                                                  |                                                                               |

#### **Compliance with Corporate Governance**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the BSE Limited (BSE SME). The requirements

pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committees as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board comprises of One (Managing Director), One (Joint Managing Director), One (Executive Director) and Three (Independent Director).

The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

**The following committees have been formed in compliance with the corporate governance norms:**

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Corporate Social Responsibility Committee
- D) Nomination and Remuneration Committee

**A) Audit Committee**

Our Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on May 30, 2025.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors.

**Composition of Audit Committee**

| <b>Name of the Director</b> | <b>Status</b> | <b>Nature of Directorship</b> |
|-----------------------------|---------------|-------------------------------|
| Ajit Kumar Upadhyay         | Chairman      | Independent Director          |
| Sanjeev Bhatia              | Member        | Independent Director          |
| Mohit Gupta                 | Member        | Managing Director             |

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**Role of the Audit Committee**

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- 5) Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
  - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - 7) Review and monitor the auditor's independence and performance and effectiveness of audit process.
  - 8) Approval or any subsequent modification of any transactions of the Company with Related Parties.
  - 9) Scrutiny of inter-corporate loans and investments.
  - 10) Valuation of undertakings or assets of the Company, wherever it is necessary.
  - 11) Evaluation of internal financial controls and risk management systems.
  - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - 14) Discussion with internal auditors on any significant findings and follow up there on.
  - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.



- 16) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision
- 17) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 18) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 19) To review the functioning of the Whistle Blower mechanism, in case the same exists.
- 20) Approval of appointment of CFO (i.e the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 21) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit committee enjoys following powers:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- e) The audit committee may invite such of the executive, as it considers appropriate ( and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and representative of the statutory auditor may

The Audit Committee shall mandatorily review the following information:

- a) Management Discussion and Analysis of financial condition and results of operations.
- b) Statement of significant related party transaction (as defined by the audit committee), submitted by management.
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- d) Internal audit reports relating to internal control weaknesses.
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:

- Quarterly/Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI ICDR Regulations;
- Annual statement of funds utilized for purposes other than those stated in the issue document/Prospectus/notice in terms of Regulation 32(7) of SEBI ICDR Regulation.

#### **B) Stakeholders Relationship Committee (“SRC Committee”)**

Our Company has constituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on May 30, 2025.

##### **Composition of Stakeholders Relationship Committee**

| <b>Name of the Director</b> | <b>Status</b> | <b>Nature of Directorship</b> |
|-----------------------------|---------------|-------------------------------|
| Sunil Kumar Singh           | Chairman      | Independent Director          |
| Ajit Kumar Upadhyay         | Member        | Independent Director          |
| Mohit Gupta                 | Member        | Managing Director             |

The Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- 1) Redressal of shareholders'/investors' complaints such as non-receipt of declared dividends, annual reports, transfer of Equity Shares.
- 2) Issue of duplicate certificates and new certificates on split/consolidation/renewal.
- 3) Allotment of shares, monitoring and approving transfers, transmission, dematerialization, re-materialization, splitting and consolidation of Equity shares and other securities issued by our company, including review of cases for refusal of transfer/transmission of shares and debentures;
- 4) Reference to statutory and regulatory authorities regarding investor grievance;
- 5) To otherwise ensure proper and timely attendance and redressal of investor queries and grievance;
- 6) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers; and
- 7) Carrying out any other function contained in the SEBI (LODR) Regulations as and when amended from time to time.

#### **C) Corporate Social Responsibility Committee (“CSR Committee”)**

The Corporate Social Responsibility Committee was constituted as per the provisions of Section 135 of the Companies Act, 2013, was approved by a Meeting of the Board of Directors held on May 30, 2025.

##### **Composition of Corporate Social Responsibility Committee**

| <b>Name of the Director</b> | <b>Status</b> | <b>Nature of Directorship</b> |
|-----------------------------|---------------|-------------------------------|
| Mohit Gupta                 | Chairman      | Managing Director             |
| Sunil Kumar Gupta           | Member        | Independent Director          |

| Name of the Director | Status | Nature of Directorship |
|----------------------|--------|------------------------|
| Ajit Kumar Upadhyay  | Member | Independent Director   |

The scope and functions of the CSR Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder and have been set out below:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;
- 2) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy which shall include the following, namely:
  - a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b) The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
  - c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) Monitoring and reporting mechanism for the projects or programmes; and
  - e) Details of need and impact assessment, if any, for the projects undertaken by the Company;
- 3) Recommend the amount of expenditure to be incurred on CSR activities; and
- 4) Monitor the Corporate Social Responsibility Policy of the company from time to time.

#### **D) Nomination and Remuneration Committees (“NRC Committee”)**

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on May 30, 2025.

#### **Composition of Nomination and Remuneration Committee**

| Name of the Director | Status   | Nature of Directorship |
|----------------------|----------|------------------------|
| Sanjeev Bhatia       | Chairman | Independent Director   |
| Sunil Kumar Singh    | Member   | Independent Director   |
| Ajit Kumar Upadhyay  | Member   | Independent Director   |

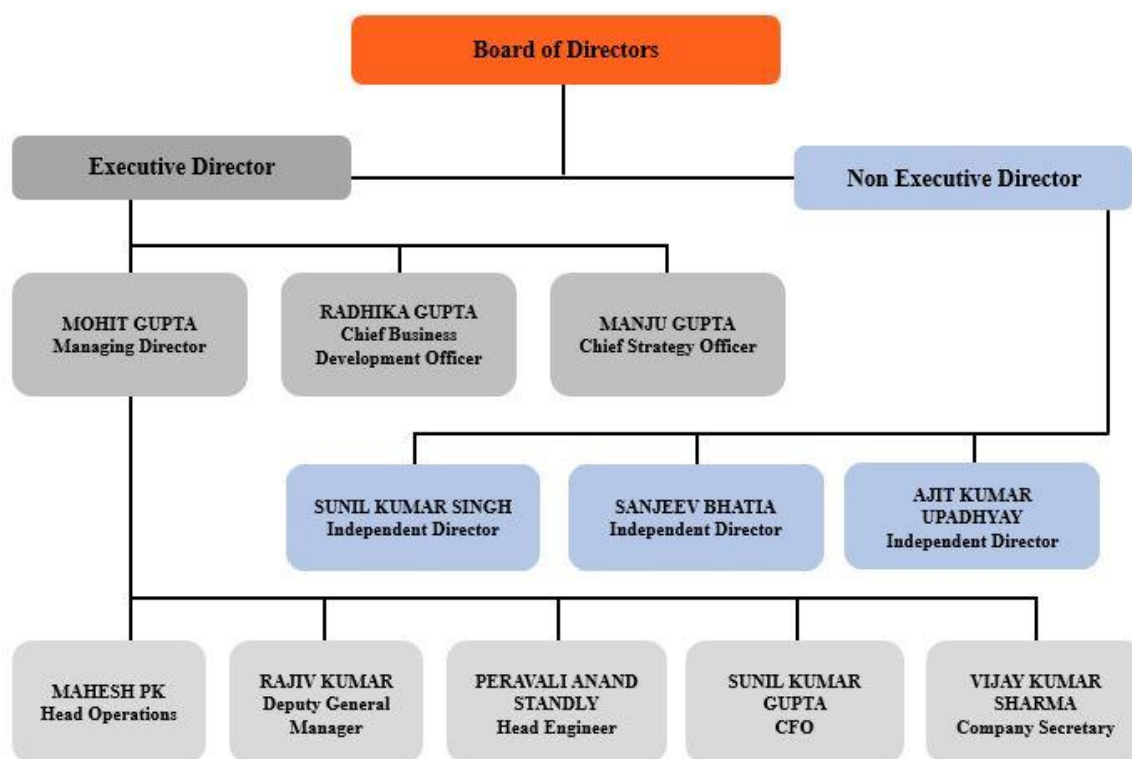
The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

#### **Role of Nomination and Remuneration Committee**

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees.
- 2) Formulation of criteria for evaluation of Independent Directors and the Board.
- 3) Devising a policy on Board Diversity.
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

- 5) To recommend to the board, the remuneration packages i.e salary, benefits, bonuses, perquisites, commission, incentives, stock option, pension retirement benefit, details of fix and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc. of the executive Director.
- 6) To implement, supervise and administer any share or stock option scheme of our Company; and
- 7) To attend to any other responsibility as may be entrusted by the board within the terms of reference.

## Organization Structure



## Key Managerial Personnel and Senior Management

### Key Managerial Personnel

The details of our Key Managerial Personnel, as of the date of this Draft Red Herring Prospectus are as follows:

In addition to Mohit Gupta, our Chairman and Managing Director and Radhika Gupta Joint Managing Director, whose details are provided in “Brief Profiles of our Directors” above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

#### **Vijay Kumar Sharma (Company Secretary and Compliance Officer)**

He is the Company Secretary and Compliance Officer of our Company. He holds a Bachelor’s Degree in Commerce from University of Delhi. He is an associate member of the Institute of Company Secretaries of India since 2004. Additionally, he holds degree of Master in Financial Management from Pondicherry University. He has 18 years of experience in the field of Corporate Laws. He is responsible for managing legal and secretarial compliance division of our Company. He receives remuneration of ₹ 22.50 lakhs per annum.

**Sunil Kumar Gupta (Chief Financial Officer)**

He is the Chief Financial Officer of the Company. He holds degree of Bachelor of Commerce from Sardar Patel University as well as Bachelor of Law from Gujarat University. Additionally, he holds ICWA degree from Institute of Cost and works Accountants of India. He has over 10 years of experience in Accounts, Finance and Costing. In past he has worked with Prayagraj Power Generation Company Limited as assistant General Manager (F&A) and J K Tyre & Industries Limited as General Manager Accounts. He receives remuneration of ₹54.00 lakhs per annum.

**Brief Profiles of our Senior Management Personnel:**

In addition to Sunil Kumar Gupta (Chief Financial Officer), Vijay Kumar Sharma, the (Company Secretary and Compliance Officer) of our Company, whose details are provided above. The details of other Functional Head/Departmental Head of our Company, as on the date of this Draft Red Herring Prospectus are set forth below:

**Mahesh PK (Head Operation)**

He is the Senior General Manager at Malanpur Plant of our Company. He holds degree of Bachelor of Engineering from University of Mysore. He is certified in Lean Six Sigma Black Belt from JK Tyres in the year 2021-2022. He was previously associated with Falcon Tyres Limited, ATC Tires Private Limited, Cavendish Industries Limited and Exide Industries Limited in Leadership roles. He has an overall experience of about 23 years of experience in Tyres Industries. He receives remuneration of 50.00 lakhs per annum

**Peravali Anand Standly (Head Engineering)**

He is Head Engineering of Chennai Plant. He holds degree of Diploma in Mechanical Engineering (General) in the year 1982 from Government of Karnataka (Department of Technical Education). He has overall experience of 15 years in manufacturing, production, greenfield project execution in Tyre Industries. He was previously associated with MRF Limited, JK Tyres & Industries Limited. He receives remuneration of 18.00 lakhs per annum

**Rajiv Kumar (Deputy General Manager)**

He is the Deputy General Manager at Selaqui, Dehradun plant. He holds Diploma in Material Management from Indian Institute of Materials Management in the year 2017. Additionally, he holds degree of Master of Business Administration in Logistic and Supply Chain Management in 2021 from University of Petroleum & Energy Studies. He has an overall experience of 22 years in Tyre Industry and was associated with Uttam Sugar Mills Limited, JK Tyres & Industries Limited. He receives remuneration of 18.00 lakhs per annum

**Status of Key Managerial Personnel and Senior Management.**

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

**Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management**

Our Company does not have any bonus or a profit-sharing plan for our Key Managerial Personnel and Senior Management as on the date of this Draft Red Herring Prospectus.

**Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management were entitled for any contingent or deferred compensation for Financial Year 2025.

**Shareholding of Key Managerial Personnel and Senior Management**

Except as disclosed below, none of our Key Managerial Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

| Sr. No. | Name of the Key Managerial Personnel/Senior Managerial Personnel | Shareholding | % of shareholding |
|---------|------------------------------------------------------------------|--------------|-------------------|
| 1.      | Radhika Gupta                                                    | 48,30,500    | 47.92             |

| Sr. No. | Name of the Key Managerial Personnel/Senior Managerial Personnel | Shareholding | % of shareholding |
|---------|------------------------------------------------------------------|--------------|-------------------|
| 2.      | Mohit Gupta                                                      | 16,02,144    | 15.57             |

#### **Service Contracts with Directors, Key Managerial Personnel and Senior Management Personnel and retirement & termination benefits**

Other than statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors or the Key Managerial Personnel or the Senior Management Personnel is entitled to any benefits upon termination of employment under any service contract with our Company. Further, none of our Directors have entered into a service contract with our Company pursuant to which they have been appointed as a director of our Company or their remuneration has been fixed in the preceding two years.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as provided in chapter titled “Our Management– Interest of our Directors” on page 213 and to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business. Certain of our Key Managerial Personnel and Senior Management may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they are members or any partnership firm in which they are partners in the ordinary course of business. For further details, please see “Restated Financial Statements-Related Party Transactions” on page 238.

#### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

#### **Changes in Key Managerial Personnel during the last three years**

Changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

| Name of Key Managerial Personnel | Designation                            | Nature      | Date of Event     |
|----------------------------------|----------------------------------------|-------------|-------------------|
| Sunil Kumar Gupta                | Chief Financial Officer                | Appointment | May 30, 2025      |
| Vijay Kumar Sharma               | Company Secretary & Compliance Officer | Appointment | December 19, 2024 |

Other than the above changes, there have been no changes to the Key Managerial Personnel of our company that are not in normal course of employment.

#### **Payment or benefit to officers of our Company**

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

#### **Retirement Benefits**

Except applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

#### **Employee Stock Options**

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters:

1. Mohit Gupta
2. Manju Gupta
3. Radhika Gupta
4. Vandana Rubber and Chemicals Private Limited

As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 92,68,737 Equity Shares of face value of ₹10 each equivalent to 90.09 % of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

For further details of shareholding of our Promoters and Promoter Group, see section titled “Capital Structure” on page 87.

The details of our Promoters is provided below:

|                                                                                     |                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|   | <p><b>Mohit Gupta</b></p> <p>He is the Promoter and the Managing Director of the Company. For further details, i.e., his date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management on page 213.</p> <p>His permanent account number is AALPG8444M.</p>          |
|  | <p><b>Radhika Gupta</b></p> <p>She is the Promoter and the joint Managing Director of the Company. For further details, i.e., her date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management on page 213.</p> <p>Her permanent account number is AGCPG0635K.</p> |
|  | <p><b>Manju Gupta</b></p> <p>She is the Promoter and the Executive Director of the Company. For further details, i.e., her date of birth, residential address, educational qualifications, professional experience, business and financial activities, other directorships, see “Our Management on page 213.</p> <p>Her permanent account number is AGCPG0630N.</p>        |

Our Company confirms that the details of the PAN, Bank Account Number(s), Aadhar card number, driving license number and passport number of our Promoters shall be submitted to the Stock Exchange(s) at the time of filing the Draft Red Herring Prospectus.



## Body Corporate Promoter

### Vandana Rubber and Chemicals Private Limited

#### Corporate Information:

Vandana Rubber and Chemicals Private Limited was incorporated as a private company under the Companies Act, 1956, on April 18, 1979. Its corporate identification number is U25199DL1979PTC009557 and its registered office is situated at Office No.401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi -110017.

#### Shareholding Pattern of Vandana Rubber and Chemicals Private Limited as on date of Draft Red Herring Prospectus:

| Sr. No. | Shareholders           | No. of Shares | %             |
|---------|------------------------|---------------|---------------|
| 1.      | Radhika Gupta          | 12,500        | 50.00         |
| 2.      | Mohit Gupta            | 9,000         | 36.00         |
| 3.      | Matangi Rubber Limited | 3,500         | 14.00         |
|         | <b>Total</b>           | <b>25,000</b> | <b>100.00</b> |

#### Nature of Business:

As on date of this Draft Red Herring Prospectus, Vandana Rubber and Chemicals Private Limited has been incorporated to carry on the following business;

1. To carry on the business of Manufacturers, producers, fabricators, processors, makers converters, manipulators of all kinds of rubber, plastic, cellulose, viscose, polythene, and synthetic materials of like nature and to treat, repair, buy, sell, import, export, deal in and 'otherwise handle all kinds of rubber, plastic, cellulose. viscose, polythene and synthetic materials and goods, articles, appliances and instruments of any kind made therefrom of from their allied products, by-products and substances or substitutes.
2. To carry on business as manufacturers of, and dealers in chemicals, chemical compounds, chemical products and preparation- of all kinds, gases, plaster of paris, gypsum plasters, rubber plasters, medicated plasters and plasters used for technical purposes, laundry blue, ultramarine, antiseptics, metal polishes, silver polishes, boot polish end other types of household and industrial polishes, disinfectants, fertilizers, starches, salts, acids, bleaching agents, food stuffs, oils, isinglass dyes, colours, glues, gum, pigments, composition dyes, tooth paste, face powder, face cream, skin creams, shaving soaps and creams, soaps, medicated soaps, leather soaps, abrasives, cleaners, elastic bandages, and combinations thereof, quill pens, tooth picks, brushes, toilette requisites end preparations, perfumes, proprietary articles, laboratory reagents and chemicals.
3. To carry on the business of manufacturers, producers of and dealers-in pesticides, rodenticides, insecticides, fungicides, weedicides, fertilizers, manures dips, sprays, vermifuges, fats, medicines and remedies of all kinds of agricultural, fruit-growing or other purposes or as remedies for men or animals and whether produced form vegetable or animal matter or by any chemical process.

#### Financial Highlights

| Particulars                       | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
|-----------------------------------|-------------|-------------|-------------|
| Total Revenue (₹ in lakhs)        | 7.41        | 7.69        | 11.44       |
| PAT (₹ in lakhs)                  | 2.27        | (2.73)      | 0.15        |
| PAT (%)                           | 30.63       | (35.50)     | 1.31        |
| Share Capital (₹ in lakhs)        | 2.50        | 2.50        | 2.50        |
| Net Worth (₹ in lakhs)            | 0.96        | (1.30)      | 1.42        |
| Long Term Borrowings (₹ in lakhs) | -           | -           | -           |

### Details of Promoters

Promoters of Vandana Rubber and Chemicals Private Limited are Radhika Gupta and Mohit Gupta

### Board of Director as on Draft Red Herring Prospectus are:

| Sr. No. | Name of Director | Designation |
|---------|------------------|-------------|
| 1.      | Mohit Gupta      | Director    |
| 2.      | Radhika Gupta    | Director    |

### Change in Control of Vandana Rubber and Chemicals Private Limited

There has been no change in the control of Vandana Rubber and Chemicals Private Limited in the last three years.

### Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 292 of this Draft Red Herring Prospectus
- None of our Promoters, person in control of our Company is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### Change in the control of our Company

There has been no change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### Interest of the Promoters

#### *Interest in the promotion of Our Company*

Our Individual Promoters are interested in our Company to the extent that they have promoted our Company, and to the extent of their salary in capacity as Managing Director, Joint Managing Director and Executive Director and their shareholding and relative's shareholding in our Company, the dividends payable and any other distributions in respect of their shareholding in our Company. For further details, see “Capital Structure” on page 87.

#### *Interest in our Company other than as Promoter*

Our Promoters may also be considered interested to the extent of commission, sitting fees payable and reimbursement of expenses payable to them by virtue of being a Director of our Company. For further information, please refer to chapter titled “Our Management” beginning on page 213 of this Draft Red herring Prospectus.

#### *Interest in property, land, construction of building and supply of machinery, etc*

Except as stated under “Related Party Transactions” in the chapter titled “Restated Financial Statements” on page 238, our Promoters have no interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Further, our Promoters have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

#### **Other Interests and Disclosures**

Except as stated under “Related Party Transactions” in the chapter titled “Restated Financial Statements” on page 238 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him.

Our Promoters are not related to any sundry debtors of our Company except as disclosed in Restated Financial Information.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

#### **Payment or Benefits to our Promoters and Promoter Group:**

Except as stated in “Related Party Transactions” on page 270, there have been no amounts paid or benefits paid or given by our Company to our Promoters or Promoter Group in the preceding two years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

#### **Companies/Firms with which our Promoters have disassociated in the last (3) three years**

Except as stated below, our Promoters have not disassociated themselves from any company, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

| Sr. No | Name of Promoter | Disassociated Company                               | Date of Cessation |
|--------|------------------|-----------------------------------------------------|-------------------|
| 1.     | Radhika Gupta    | Moonriver Designs Private Limited                   | January 31, 2025  |
| 2.     | Manju Gupta      | The Birla Cotton Spinning and Weaving Mills Limited | April 01, 2025    |
|        |                  | Vandana Rubber And Chemicals Private Limited        | March 11, 2023    |

### Other ventures of our Promoters

Save and except as disclosed chapter titled “Our Promoters & Promoter Group” and the chapter titled “Our Management”, beginning on page 228 and 213 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

### Our Promoter Group:

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

#### Promoter Group of our Company

In addition to our Promoters, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

#### a) Natural Persons who are part of the Promoter Group

##### Immediate Relatives of our Promoters

| Name of the Promoter | Relationship/ reason for classification as promoter group | Name of the Promoter Group individual |
|----------------------|-----------------------------------------------------------|---------------------------------------|
| Manju Gupta          | Son                                                       | Mohit Gupta                           |
|                      | Daughter                                                  | Radhika Gupta                         |
|                      | Brother                                                   | Rakesh Singhal & Chitranjan Aggarwal  |

| Name of the Promoter | Relationship/ reason for classification as promoter group | Name of the Promoter Group individual |
|----------------------|-----------------------------------------------------------|---------------------------------------|
| Mohit Gupta          | Mother                                                    | Manju Gupta                           |
|                      | Spouse                                                    | Alissa Nanak Sheth                    |
|                      | Son                                                       | Prithvi Vardhan Gupta (Minor)         |
|                      | Son                                                       | Jai Vardhan Gupta (Minor)             |
|                      | Sister                                                    | Radhika Gupta                         |
|                      | Spouse Mother                                             | Helga Sheth                           |
|                      | Spouse Sister                                             | Selina Sheth                          |

| Name of the Promoter | Relationship/ reason for classification as promoter group | Name of the Promoter Group individual |
|----------------------|-----------------------------------------------------------|---------------------------------------|
| Radhika Gupta        | Mother                                                    | Manju Gupta                           |
|                      | Brother                                                   | Mohit Gupta                           |
|                      | Spouse                                                    | Naveen Sharma                         |
|                      | Spouse Mother                                             | Bhavani Devi Sharma                   |
|                      | Spouse Brother                                            | Devendra Sharma                       |
|                      | Spouse Sister                                             | Kusum Joshi                           |

#### b) Corporate Entities or Firms forming part of the Promoter Group

| Sr No. | Name of Entity                             |
|--------|--------------------------------------------|
| 1.     | Singlaco Industries Private Limited.       |
| 2.     | Gaindamal Chiranjilal & Sons Limited.      |
| 3.     | East Coast ISPAT Private Limited           |
| 4.     | Moonriver Designs Private Limited          |
| 5.     | Punit Marketing Private Limited            |
| 6.     | Qualimax Electronics Private Limited       |
| 7.     | Royal Resources Holdings Private Limited   |
| 8.     | Siddhi Tyre Products India Private Limited |

| Sr No. | Name of Entity                            |
|--------|-------------------------------------------|
| 9.     | Vantage Brands Private Limited            |
| 10.    | Vantage Research Services Private Limited |
| 11.    | Vikram Polymers Private Limited           |
| 12.    | Moonriver Interiors LLP                   |
| 13.    | S2M Investment Partners Private Limited   |

Other than as disclosed above, our Company has no other companies or entities that form part of our Promoter Group.

#### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus please see “Details of shareholding of our Promoters and members of the Promoter Group in our Company” Chapter titled “Capital Structure” on page 87 of this Draft Red Herring Prospectus.

#### **Confirmations**

The Company hereby confirms that:

- Our Promoters have not been declared as a Wilful Defaulters or Fraudulent Borrower
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our individual Promoter have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoters are not a promoter, director or person in control of any other company which is prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

#### **Related Party Transactions**

For details of related party transactions entered into by our Promoters, Promoter Group and our Company during the last financial three years and financial reporting period, the nature of transactions and the cumulative value of transactions, please refer to “*Note-37-Related Party Transactions*” in the chapter titled “Restated Financial Statements” on page 238 of this Draft Red Herring Prospectus.

#### **Payment or benefits to our Promoters and Promoter Group**

Except as stated otherwise under “Note 37-Related Party Transactions” in the chapter titled “Restated Financial Statements” on page 238 of this Draft Red Herring Prospectus about the related party transactions entered into during the last three (3) financial years and stub period as per AS and in “Interest of our Promoters” disclosed in this Chapter, there has been no other payment or benefit to our Promoter or Promoter Group nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Change in the management and control of our Company**

There has been no change in management and control of our Company during the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### **Outstanding Litigation**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “Outstanding Litigation and Material Developments” beginning on page 292 of this Draft Red Herring Prospectus.

## OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, the term ‘group companies’ includes (i) such companies (other than promoter(s) and subsidiary(ies) with which there were related party transactions during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other company, as considered material by our Board.

Subsequently, for (i) above, all such companies (other than Promoters & Subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards, shall be considered as group companies in term of the SEBI ICDR Regulation.

In addition, for the purposes of (ii) above, the Board pursuant to the materiality policy adopted by the Board pursuant to its resolution dated June 16, 2025 has determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered ‘material’ and will be disclosed as a ‘group company’ in the Draft Red Herring Prospectus, if (i) If our Company has entered into one or more transactions with such company/ entity in the preceding Financial Year, cumulatively exceeding 10 % of the total revenue of our Company or exceeding 10% of net worth for such Financial Year. (ii) If in the opinion of the Board of Directors, the event / information is considered material. (iii) The above thresholds shall be determined on the basis of audited financial statements of the Company’s last audited financial year .

Accordingly, as based on the parameters outlined above, as on date of this Draft Red Herring Prospectus, our Company has following Group Companies.

| Sr. No. | Group Companies                            |
|---------|--------------------------------------------|
| 1.      | Vikram Polymers Private Limited            |
| 2.      | Qualimax Electronics Private Limited       |
| 3.      | Moonriver Interiors LLP                    |
| 4.      | Punit Marketing Private Limited            |
| 5.      | Siddhi Tyre Products India Private Limited |
| 6.      | Vantage Research Services Private Limited  |
| 7.      | Moonriver Designs Private Limited          |
| 8.      | Vantage Brands Private Limited             |
| 9.      | East Coast ISPAT Private Limited           |

### A. Details of our top Five Group Companies:

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the top Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements for the preceding three years shall be hosted on their respective websites or the website of our Company as indicated below Our Group Companies on the basis of market capitalization / turnover, as the case may be, are as follows:

| Sr. No. | Top Group Companies                  | Registered Office                                                                                         | Website                                                                                       |
|---------|--------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| 1)      | Vikram Polymers Private Limited      | D-151-A, (Basement), Defence Colony, South Delhi- 110024                                                  | <a href="https://www.matangirubber.com/investor/">https://www.matangirubber.com/investor/</a> |
| 2)      | Qualimax Electronics Private Limited | Office No.401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi - 110017 | <a href="https://www.matangirubber.com/investor/">https://www.matangirubber.com/investor/</a> |
| 3)      | Moonriver Interiors LLP              | D-151-A, (Basement), Defence Colony, South Delhi- 110024                                                  | <a href="https://www.matangirubber.com/investor/">https://www.matangirubber.com/investor/</a> |
| 4)      | Punit Marketing Private Limited      | 57/4 Ballygunge Circular Road, Kolkata- 700019                                                            | <a href="https://www.matangirubber.com/investor/">https://www.matangirubber.com/investor/</a> |

| Sr. No. | Top Group Companies                        | Registered Office                                                                                         | Website                                                                                       |
|---------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| 5)      | Siddhi Tyre Products India Private Limited | D-5, Office No. -11, 3rd Floor, Avadh Complex Near Sai Baba Mandir, Laxmi Nagar, East Delhi, Delhi-110092 | <a href="https://www.matangirubber.com/investor/">https://www.matangirubber.com/investor/</a> |

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor the Book Running Lead Manager (“BRLM”) nor any of our Company’s or BRLM’s respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above.

## B. Details of our other Group Companies

| Sr. No. | Group Companies                           | Registered Office                                                                                         |
|---------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| 1)      | Vantage Research Services Private Limited | Office No.401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi - 110017 |
| 2)      | Moonriver Designs Private Limited         | D-16, Defence Colony, New Delhi- 110024                                                                   |
| 3)      | Vantage Brands Private Limited            | Office No.401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi - 110017 |
| 4)      | East Coast ISPAT Private Limited          | 57/4 Ballygunge Circular Road, Kolkata- 700019                                                            |

## Outstanding Litigation involving the Group Companies

As on the date of this Draft Red Herring Prospectus, our Group Companies are not party to any pending litigation which will have a material impact on our Company.

## Common Pursuits of Group Companies

There is no common pursuit between our Group Companies as on the date of this Draft Red Herring Prospectus. Our Company will adopt the necessary procedure and practices as permitted by law to address any conflict situation, if and when they arise.

## Related business transactions within our Group Companies and significance on the financial performance of the Company

Other than the transactions as disclosed under “*Note 37 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 238, there are no other related business transactions between our Company and our Group Companies which are significant for the financial performance of our Company.

## Nature and extent of interests of our Group Companies

As on the date of this Draft Red Herring Prospectus, our Group Companies do not have any interest in the promotion or formation of our Company. Other than as disclosed under “*Note 37– Related Party Transactions*” under the chapter “Restated Financial Statements” on page 238, our Group Companies do not have any interest in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus. Other than as disclosed under “*Note 37 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 238, our Group Companies do not have any interest in any transaction for the acquisition of land, construction of building, or supply of machinery. Except as disclosed under “*Note 37 – Related Party Transactions*” under the chapter “Restated Financial Statements” on page 238 and in the ordinary course of business, our Group Companies do not have or currently propose to have any business interest in our Company.



#### **Utilization of Issue Proceeds**

There are no material existing or anticipated transactions with our Group Companies in relation to utilization of the Issue Proceeds.

#### **Other confirmations**

The equity shares of our Group Companies are not listed on any stock exchange. Further, our Group Companies have not made any public or rights issue or composite issue of securities (as defined under the SEBI ICDR Regulations) in the three years preceding the date of this Draft Red Herring Prospectus.

*[The remainder of this page has intentionally been left blank]*

## **DIVIDEND POLICY**

The dividend distribution policy of our Company was approved and adopted by our Board on June 16, 2025. In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, including but not limited to, the profits of the Company, Past Dividend pattern/trends, operating cashflow of the Company, Present and future Capital requirements the existing business, cost of borrowing of the Company, keeping in view growth opportunities, debt obligations of the company, funds required to service any outstanding loans, Liquidity and Return ratio, provisioning for financial implication arising out of unforeseen events and/or contingences, Investments in new line(s) of business; Additional investment in subsidiaries, joint ventures and associates of the Company, Corporate actions including mergers/demergers, acquisitions, expansion/modernization of existing businesses/brands, Up gradation of/ Investment in technology and physical infrastructure and Expenditure on Research & Development of existing and new product, Restrictions/covenants if any, contained in any lender agreement or any other arrangements and other factors considered by our Board. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Dividend would be declared on the face value of the Equity Shares and on per share basis of the Company. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable laws and will be determined, if and when the Company decides to issue other classes of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Our Company has not declared any dividends during Fiscal 2025, Fiscal 2024 and Fiscal 2023. The profits earned by our Company may either be retained and used for various purposes by our Company or may be distributed to the Shareholders. Our Company may from time to time, pay interim dividends. Further, our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future.

*[Remainder of this page has been left intentionally blank]*

## SECTION V - FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

**Independent Auditors' Examination Report on the restated consolidated summary statements of assets and liabilities as at March 31, 2025, 2024 and 2023, restated consolidated summary statement of profits and loss and restated consolidated summary statement of cash flows for each of the years ended March 31, 2025, 2024 and 2023, restated statement of significant accounting policies and other explanatory information of Matangi Rubber Limited (formerly known as Matangi Rubber Private Limited) (collectively, the "Restated Consolidated Financial Statements" or "Restated Consolidated Financial Information")**

To

**The Board of Directors**

**Matangi Rubber Limited**

*(Formerly known as Matangi Rubber Private Limited)*

401, Fourth Floor, D2, District Centre, Southern Park, Saket,  
New Delhi 110017

Dear Sirs:

1. We, Ashwani & Associates, Chartered Accountants ("we" or "us" or "A&A") have examined the attached Restated Consolidated Financial Statements of Matangi Rubber Limited (formerly known as Matangi Rubber Private Limited) (the "Company") and its subsidiaries (the Company together with its subsidiaries hereinafter referred to as "the Group") annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") in connection with its proposed Initial Public Offer on SME platform of BSE Limited ("IPO" or "SME IPO") of equity shares of face value of ₹ 10 each of the Company comprising a fresh issue of equity shares (the "Offer"). The Restated Consolidated Financial Statements, which have been approved by the Board of Directors of the Company at their meeting held on July 28, 2025, have been prepared in accordance with the requirements of:-
  - a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

#### **Management's Responsibility for the Restated Consolidated Financial Statements**

2. The preparation of the Restated Consolidated Financial Statements, which are to be included in the DRHP is the responsibility of the management of the Company. The Restated Consolidated Financial Statements have been prepared by the Management of the Company on the basis of preparation, as stated in note 1.2 to the Restated Consolidated Financial Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statements. The Management is also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

#### **Auditors' Responsibilities**

3. We have examined such Restated Consolidated Financial Statements taking into consideration:

- a) the terms of reference and terms of our engagement agreed with you vide our engagement letter dated September 30, 2024 requesting us to carry out the assignment, in connection with the proposed SME IPO of the Company;
- b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by ICAI
- c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Financial Statements; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed SME IPO.

#### **Restated Consolidated Financial Statements**

4. These Restated Consolidated Financial Statements have been compiled by the Management of the Company from:

- a) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2025, which were prepared in accordance with the generally accepted accounting practices in India (referred to as “Indian GAAP”) as prescribed under Section 133 of the Act read with

Companies (Accounting Standards) Rules 2021, as amended, along with the presentation requirements of Division I of Schedule III to the Act (Indian GAAP compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meeting held on July 25, 2025.

- b) Audited financial statements of the Company as at and for the year ended March 31, 2024 and March 31, 2023, were audited by Kanhaiya Lal & Co., in accordance with the generally accepted accounting practices in India (referred to as “Indian GAAP”) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, along with the presentation requirements of Division I of Schedule III to the Act (Indian GAAP compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meeting held on August 30, 2024 and August 31, 2023 respectively.
- c) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 and March 31, 2023 have not been prepared nor presented as the entities were added as subsidiaries to the Group during the financial year 2024-25, as mentioned in note 1.1 of Restated Consolidated Financial Statements. Hence restated standalone financial information for the Company has been presented as comparative.
- d) Financial statements and other financial information in relation to the Company’s subsidiaries, as tabulated below, is audited by Other Auditors and included in the consolidated financial statements of the Group as at and for the year ended March 31, 2025:

| <b>Name of the Entity</b>                     | <b>Relationship</b> | <b>Name of Audit Firm</b>   | <b>Period Audited by other Auditors</b> |
|-----------------------------------------------|---------------------|-----------------------------|-----------------------------------------|
| MG Industries Limited                         | Subsidiary          | GBSG & Associates           | March 31, 2025                          |
| Fresca Recycling Technologies Private Limited | Subsidiary          | Agarwal Shilpi & Associates | March 31, 2025                          |

#### **Auditors Report**

5. For the purpose of our examination, we have relied on:

- a) Auditors' reports issued by us, dated July 25, 2025 on the consolidated financial statements of the Group as at and for the year ended March 31, 2025 as referred in Paragraph 4 (a) above.
- b) Auditors' report issued by the Previous Auditor dated August 30, 2024 & August 31, 2023 on the financial statements of the Company as at and for the years ended March 31, 2024 & 2023, as referred in paragraph 4(b) above.
- c) As indicated in Paragraph 4 (d) above, we did not audit the financial statements of subsidiaries as at and for the years ended March 31, 2025 whose financial statements reflect total assets, total revenues and net cash inflow, as tabulated below, and included in the Restated Consolidated Financial Statements:

| As at and for the year ended | Total assets of subsidiaries | Total revenue of subsidiaries | Net cash inflow of subsidiaries |
|------------------------------|------------------------------|-------------------------------|---------------------------------|
| March 31, 2025               | 3,886.84 lakhs               | 1,172.80 lakhs                | 13.06 lakhs                     |

These financial statements have been audited by other firms of Chartered Accountants as listed in Para 4(d) above, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in the financial statements referred to in Para 4(a) above, are based solely on the report of other auditors.

6. The audit reports on consolidated financial statements of the Group as at and for the year ended March 31, 2025 referred to in paragraph 4(a) above were modified and included the following matters which caused such modification:
  - For the year ended March 31, 2025 modification relating to the maintenance of books of account and other matters connected therewith.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by Other Auditor as at and for the years ended March 31, 2025 in respect of the Company's subsidiaries, we report that Restated Consolidated Financial Statements of the Group:
  - i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2025 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025;
  - ii. there are no qualifications in the auditors' reports on the consolidated audited financial statements of the Group which require any adjustments to the Restated Consolidated Financial Statements. However, there are modifications in our report on Other Legal and Regulatory Requirements relating to maintenance of books of account and other matters connected therewith, which do not require any adjustment to the Restated Consolidated Financial Information.
  - iii. have any extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - iv. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:-
  - a) The "Restated Summary Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the

Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 and 2 to this Report.

- b) The “Restated Summary Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 and 2 to this Report.
  - c) The “Restated Summary Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Note 1 and 2 to this Report.
9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”).

| Annexure No. | Particulars                                |
|--------------|--------------------------------------------|
| I            | Restated Statement of Assets & Liabilities |
| II           | Restated Statement of Profit & Loss        |
| III          | Statement of Cash Flow, As Restated        |

| Note No | Particulars                                          |
|---------|------------------------------------------------------|
| 1       | Corporate Information and Basis of preparation       |
| 2       | Summary of significant accounting policies           |
| 3       | Statement of Share Capital, as restated              |
| 4       | Reserves & Surpluses, as restated                    |
| 5       | Minority interest, as restated                       |
| 6       | Borrowings, as restated                              |
| 7       | Provisions, as restated                              |
| 8       | Other Liabilities, as restated                       |
| 9       | Trade Payable, as restated                           |
| 10      | Property, Plant and Equipment, as restated           |
| 10.1    | Movement in Goodwill as restated                     |
| 11      | Capital Work in progress, as restated                |
| 12      | Deferred Tax Assets (Net), as restated               |
| 13      | Investments, as restated, as restated                |
| 14      | Loans and Advances, as restated                      |
| 15      | Inventories, as restated                             |
| 16      | Trade Receivables, as restated                       |
| 17      | Cash and Bank balance, as restated                   |
| 18      | Other Current Assets, as restated                    |
| 19      | Revenue from operations, as restated                 |
| 20      | Other Income, as restated                            |
| 21      | Cost of Material Consumed, as restated               |
| 22      | Purchase of Stock in Trade, as restated              |
| 23      | Change in inventories of Finished Goods, as restated |
| 24      | Direct expenses, as restated                         |

| <b>Note No</b> | <b>Particulars</b>                                                                                  |
|----------------|-----------------------------------------------------------------------------------------------------|
| 25             | Employees Benefit Expenses, as restated                                                             |
| 26             | Financial Costs, as restated                                                                        |
| 27             | Depreciation and Amortisation expense, as restated                                                  |
| 28             | Other Expenses, as restated                                                                         |
| 29             | Earnings per Share, as restated                                                                     |
| 30             | Disclosure in respect of Employee Benefit Plan, as restated                                         |
| 31             | Segment Information, as restated                                                                    |
| 32             | Trade Receivable Ageing, as restated                                                                |
| 33             | Trade Payable Ageing, as restated                                                                   |
| 34             | Leases, as restated                                                                                 |
| 35             | Contingent Liabilities and Capital and Other Commitments, as restated                               |
| 36             | Statement of Corporate Social Responsibility, as restated                                           |
| 37             | Related Party Disclosures, as restated                                                              |
| 38             | Note on reconciliation of restated profits                                                          |
| 39             | Note on reconciliation of Net Worth                                                                 |
| 40             | Statement of Net Assets and Profit / Loss attributable to owners and minority interest, as restated |
| 41             | Details of Accounting Ratios, as restated                                                           |
| 42             | Expenditure in foreign currency (on accrual basis), as restated                                     |
| 43             | Value of Imports calculated on CIF basis, as restated                                               |
| 44             | Raw materials consumed, as restated                                                                 |
| 45             | Disclosures under Micro, Small and Medium Enterprises Act 2006, as restated                         |

10. We have not audited any financial statements of the Group as of any date or for any period subsequent to March 31, 2025. Accordingly, we express no opinion on the financial position, results of operations and cash flows of the Group as of any date or for any period subsequent to March 31, 2025.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. The Restated Consolidated Financial Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 5 (a) above.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India and BSE Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For **Ashwani & Associates**

Chartered Accountants

ICAI Firm Registration Number: 000497N

**Sd/-**

Sanjeeva Narayan

Partner

Membership Number: 084205

UDIN: **25084205BMHBTV1993**

Place of Signature: New Delhi

Date: July 28, 2025



**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**  
**CIN: U74999DL2004PLC127108**  
**Consolidated Statement of assets & liabilities as restated**  
*(All amounts in INR lakhs, unless otherwise stated)*

|                                                                                           | Notes | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|-------------------------------------------------------------------------------------------|-------|--------------------------------------|------------------------------------|------------------------------------|
| <b>Equity and Liabilities</b>                                                             |       |                                      |                                    |                                    |
| <b>Shareholders' funds</b>                                                                |       |                                      |                                    |                                    |
| Share capital                                                                             | 3     | 342.96                               | 272.03                             | 219.60                             |
| Reserves and surplus                                                                      | 4     | 8,909.97                             | 4,345.88                           | 3,083.29                           |
|                                                                                           |       | <b>9,252.93</b>                      | <b>4,617.91</b>                    | <b>3,302.89</b>                    |
| <b>Minority Interest</b>                                                                  |       |                                      |                                    |                                    |
|                                                                                           | 5     | <b>29.75</b>                         | -                                  | -                                  |
| <b>Non-current liabilities</b>                                                            |       |                                      |                                    |                                    |
| Long-term borrowings                                                                      | 6     | 2,375.54                             | 4,067.89                           | 1,398.56                           |
| Long-term provisions                                                                      | 7     | 55.16                                | 19.66                              | 12.19                              |
| Other non-current liabilities                                                             | 8     | 290.75                               | -                                  | -                                  |
|                                                                                           |       | <b>2,721.45</b>                      | <b>4,087.55</b>                    | <b>1,410.75</b>                    |
| <b>Current liabilities</b>                                                                |       |                                      |                                    |                                    |
| Trade payables                                                                            | 9     | -                                    | -                                  | -                                  |
| a. total outstanding dues of micro enterprises and small enterprises                      |       | -                                    | -                                  | -                                  |
| b. total outstanding dues of creditors other than micro enterprises and small enterprises |       | 1,285.85                             | 1,452.84                           | 1,098.54                           |
| Short-term borrowings                                                                     | 6     | 6,810.70                             | 2,225.87                           | 1,647.86                           |
| Short-term provisions                                                                     | 7     | 399.53                               | 141.03                             | 86.49                              |
| Other current liabilities                                                                 | 8     | 606.31                               | 217.70                             | 157.04                             |
|                                                                                           |       | <b>9,102.39</b>                      | <b>4,037.44</b>                    | <b>2,989.93</b>                    |
| <b>Total equity and liabilities</b>                                                       |       | <b>21,106.52</b>                     | <b>12,742.90</b>                   | <b>7,703.57</b>                    |
| <b>Assets</b>                                                                             |       |                                      |                                    |                                    |
| <b>Non-current assets</b>                                                                 |       |                                      |                                    |                                    |
| Property, plant and equipment and intangible assets                                       |       |                                      |                                    |                                    |
| Property, plant and equipments                                                            | 10    | 2,832.86                             | 2,059.03                           | 995.23                             |
| Goodwill                                                                                  | 10.1  | 1,059.13                             | -                                  | -                                  |
| Capital work-in-progress                                                                  | 11    | 6,272.06                             | 2,295.20                           | 670.62                             |
| Deferred tax assets (net)                                                                 | 12    | 29.94                                | 25.74                              | 30.63                              |
| Investments                                                                               | 13    | 171.46                               | 184.57                             | 204.72                             |
| Long-term loans and advances                                                              | 14    | 634.88                               | 63.10                              | 43.91                              |
| Other non-current assets                                                                  | 48    | 172.00                               | -                                  | -                                  |
|                                                                                           |       | <b>11,172.33</b>                     | <b>4,627.64</b>                    | <b>1,945.11</b>                    |
| <b>Current assets</b>                                                                     |       |                                      |                                    |                                    |
| Investments                                                                               | 13    | 14.71                                | -                                  | -                                  |
| Short-term loans and advances                                                             | 14    | 3,171.15                             | 3,712.89                           | 1,776.57                           |
| Inventories                                                                               | 15    | 3,472.62                             | 2,359.12                           | 2,328.11                           |
| Trade receivables                                                                         | 16    | 2,961.32                             | 1,669.20                           | 1,583.72                           |
| Cash and bank balances                                                                    | 17    | 267.87                               | 35.63                              | 61.22                              |
| Other Current Assets                                                                      | 18    | 46.52                                | 338.42                             | 8.84                               |
|                                                                                           |       | <b>9,934.19</b>                      | <b>8,115.26</b>                    | <b>5,758.46</b>                    |
| <b>Total assets</b>                                                                       |       | <b>21,106.52</b>                     | <b>12,742.90</b>                   | <b>7,703.57</b>                    |
| Summary of significant accounting policies                                                | 2     |                                      |                                    |                                    |
| The accompanying notes are an integral part of the financial statements.                  |       |                                      |                                    |                                    |

As per our report of even date

**For Ashwani & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 000497N

For and on behalf of the Board of Directors of  
**Matangi Rubber Limited (previously,**  
**Matangi Rubber Private Limited)**

Sd/-  
**Mohit Gupta**  
Managing Director  
DIN: 00103720

Sd/-  
**Manju Gupta**  
Director  
DIN: 00124974

Sd/-  
**Sanjeeva Narayan**  
Partner  
Membership No.: 084205

Sd/-  
**Sunil Kumar Gupta**  
Chief Financial Officer

Sd/-  
**Vijay Kumar Sharma**  
Company Secretary  
M No. A17929

Place: New Delhi  
Date: July 28, 2025

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**  
**CIN: U74999DL2004PLC127108**  
**Consolidated Statement of profit and loss as restated**  
*(All amounts in INR lakhs, unless otherwise stated)*

|                                                                          | Notes | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|--------------------------------------------------------------------------|-------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>Income</b>                                                            |       |                                                      |                                                    |                                                    |
| Revenue from operations                                                  | 19    | 10,137.01                                            | 9,011.86                                           | 8,535.75                                           |
| Other income                                                             | 20    | 338.74                                               | 114.65                                             | 109.33                                             |
| <b>Total income</b>                                                      |       | <b>10,475.75</b>                                     | <b>9,126.51</b>                                    | <b>8,645.08</b>                                    |
| <b>Expenses</b>                                                          |       |                                                      |                                                    |                                                    |
| Cost of materials consumed                                               | 21    | 4,429.22                                             | 5,679.09                                           | 5,866.68                                           |
| Purchase of stock in trade                                               | 22    | 47.76                                                | 230.63                                             | -                                                  |
| Changes in inventories of finished goods                                 | 23    | -550.96                                              | -141.94                                            | -348.00                                            |
| Direct expenses                                                          | 24    | 1,494.55                                             | 868.30                                             | 853.29                                             |
| Employee benefits expense                                                | 25    | 717.05                                               | 692.49                                             | 735.29                                             |
| Finance costs                                                            | 26    | 369.26                                               | 302.04                                             | 294.37                                             |
| Depreciation and amortisation expense                                    | 27    | 306.03                                               | 165.47                                             | 166.12                                             |
| Other expenses                                                           | 28    | 1,145.37                                             | 668.31                                             | 630.33                                             |
| <b>Total expenses</b>                                                    |       | <b>7,958.28</b>                                      | <b>8,464.39</b>                                    | <b>8,198.08</b>                                    |
| <b>Profit before extraordinary items and tax</b>                         |       | <b>2,517.47</b>                                      | <b>662.12</b>                                      | <b>447.00</b>                                      |
| Extraordinary items                                                      | 51    | -                                                    | -                                                  | 11.04                                              |
| <b>Profit before tax</b>                                                 |       | <b>2,517.47</b>                                      | <b>662.12</b>                                      | <b>458.04</b>                                      |
| <b>Tax expense</b>                                                       |       | <b>2,854.02</b>                                      | <b>1,014.98</b>                                    | <b>798.16</b>                                      |
| Current tax                                                              |       | 623.36                                               | 181.20                                             | 147.57                                             |
| Deferred tax (income)/expense                                            |       | (3.80)                                               | 4.89                                               | (12.32)                                            |
| Mat credit entitlement                                                   |       | -                                                    | -                                                  | 2.37                                               |
| <b>Net tax expense</b>                                                   |       | <b>619.56</b>                                        | <b>186.09</b>                                      | <b>137.62</b>                                      |
| <b>Profit for the year</b>                                               |       | <b>1,897.91</b>                                      | <b>476.03</b>                                      | <b>320.42</b>                                      |
| Attributable to:                                                         |       |                                                      |                                                    |                                                    |
| - Shareholders of the company                                            |       | 1,866.72                                             | 476.03                                             | 320.42                                             |
| - Minority interest                                                      |       | 31.19                                                | -                                                  | -                                                  |
| <b>Earnings per equity share (EPS)</b>                                   | 29    |                                                      |                                                    |                                                    |
| Basic EPS                                                                |       | 61.42                                                | 17.70                                              | 15.83                                              |
| Diluted EPS                                                              |       | 61.42                                                | 17.70                                              | 15.83                                              |
| Summary of significant accounting policies                               | 2     |                                                      |                                                    |                                                    |
| The accompanying notes are an integral part of the financial statements. |       |                                                      |                                                    |                                                    |

As per our report of even date

**For Ashwani & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 000497N

For and on behalf of the Board of Directors of  
**Matangi Rubber Limited (previously,**  
**Matangi Rubber Private Limited)**

Sd/-  
**Mohit Gupta**  
Managing Director  
DIN: 00103720

Sd/-  
**Manju Gupta**  
Director  
DIN: 00124974

Sd/-  
**Sanjeeva Narayan**  
Partner  
Membership No.: 084205

Sd/-  
**Sunil Kumar Gupta**  
Chief Financial Officer

Sd/-  
**Vijay Kumar Sharma**  
Company Secretary  
M No. A17929

Place: New Delhi  
Date: July 28, 2025

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**  
**CIN: U74999DL2004PLC127108**  
**Consolidated Statement of cash flows as restated**  
*(All amounts in INR lakhs, unless otherwise stated)*

|                                                                             | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|-----------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>A. Cash flow from operating activities</b>                               |                                                      |                                                    |                                                    |
| <b>Profit before extraordinary items and tax</b>                            | <b>2,517.47</b>                                      | <b>662.12</b>                                      | <b>447.00</b>                                      |
| <b>Adjustments for:</b>                                                     |                                                      |                                                    |                                                    |
| Depreciation / amortisation                                                 | 306.03                                               | 165.47                                             | 166.12                                             |
| (Gain)/Loss on sale of property, plant and equipment & investments          | -142.88                                              | -0.32                                              | -                                                  |
| Interest expenses and other financing cost                                  | 369.26                                               | 302.04                                             | 294.37                                             |
| Interest income                                                             | -82.51                                               | -111.13                                            | -109.33                                            |
| Government grant income                                                     | -6.64                                                | -                                                  | -                                                  |
| Liabilities and provisions no longer required, written back                 | -46.24                                               | -0.57                                              | -                                                  |
| Non-operating expenses                                                      | 0.23                                                 | 4.77                                               | -                                                  |
| <b>Operating profit / (loss) before working capital changes</b>             | <b>2,914.72</b>                                      | <b>1,022.38</b>                                    | <b>798.16</b>                                      |
| <b>Movements in working capital :</b>                                       |                                                      |                                                    |                                                    |
| (Decrease)/Increase in trade payables                                       | -322.96                                              | 354.30                                             | 489.17                                             |
| (Decrease)/Increase in provisions                                           | 15.95                                                | 8.42                                               | 1.52                                               |
| (Decrease)/Increase in other non-current liabilities                        | -37.50                                               | -                                                  | -                                                  |
| (Decrease)/Increase in other current liabilities                            | 130.21                                               | 61.23                                              | 53.21                                              |
| Decrease/(Increase) in trade receivables                                    | -87.83                                               | -85.48                                             | 87.55                                              |
| Decrease/(Increase) in inventories                                          | -1,035.58                                            | -31.01                                             | -501.06                                            |
| Decrease/(Increase) in other current assets                                 | 326.91                                               | -329.58                                            | -4.27                                              |
| Decrease/(Increase) in long term loans and advances                         | -90.95                                               | -19.19                                             | 210.00                                             |
| Decrease/(Increase) in short term loans and advances                        | 634.88                                               | -1,936.32                                          | -326.39                                            |
| <b>Cash generated from operations</b>                                       | <b>2,447.85</b>                                      | <b>-955.25</b>                                     | <b>807.89</b>                                      |
| Direct taxes paid (net of refunds)                                          | -386.88                                              | -127.61                                            | -62.57                                             |
| <b>Cash generated from operations before extraordinary items</b>            | <b>2,060.97</b>                                      | <b>-1,082.86</b>                                   | <b>745.32</b>                                      |
| Extraordinary Items                                                         | -                                                    | -                                                  | 11.04                                              |
| <b>Net cash flow generated from / (used in) operating activities (A)</b>    | <b>2,060.97</b>                                      | <b>-1,082.86</b>                                   | <b>756.36</b>                                      |
| <b>B. Cash flows from investing activities</b>                              |                                                      |                                                    |                                                    |
| Purchase of property, plant & equipments including capital work in progress | -4,262.63                                            | -3,701.83                                          | -761.68                                            |
| Decrease of property, plant & equipments including capital work in progress | 357.91                                               | 847.98                                             | -                                                  |
| Decrease/(Increase) in investments                                          | -1,382.30                                            | 20.15                                              | -38.70                                             |
| Gain/(Loss) on sale of property, plant and equipment & investments          | 142.88                                               | 0.32                                               | -                                                  |
| Government grant received related to acquisition of fixed assets            | 34.40                                                | -                                                  | -                                                  |
| Non-operating expenses                                                      | -0.23                                                | -4.77                                              | -                                                  |
| Other bank balances*                                                        | -6.40                                                | -                                                  | -                                                  |
| Interest received                                                           | 82.51                                                | 111.13                                             | 109.33                                             |
| <b>Net cash flow generated from / (used in) investing activities (B)</b>    | <b>-5,033.86</b>                                     | <b>-2,727.02</b>                                   | <b>-691.05</b>                                     |
| <b>C. Cash flows from financing activities</b>                              |                                                      |                                                    |                                                    |
| Proceeds from issue of equity shares (including share premium)              | 2,049.30                                             | 838.99                                             | 313.55                                             |
| (Decrease)/Increase in long term borrowings                                 | -2,576.17                                            | 2,669.33                                           | 61.28                                              |
| (Decrease)/Increase in short term borrowings                                | 4,063.97                                             | 578.01                                             | -99.35                                             |
| Interest paid                                                               | -363.67                                              | -302.04                                            | -294.37                                            |
| <b>Net cash flow generated from / (used in) financing activities (C)</b>    | <b>3,173.43</b>                                      | <b>3,784.29</b>                                    | <b>-18.89</b>                                      |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>         | <b>200.54</b>                                        | <b>-25.59</b>                                      | <b>46.42</b>                                       |
| Cash and cash equivalents at the beginning of the year <sup>#</sup>         | 60.93                                                | 61.22                                              | 14.80                                              |
| <b>Cash and cash equivalents at the end of the year</b>                     | <b>261.47</b>                                        | <b>35.63</b>                                       | <b>61.22</b>                                       |
| <b>Components of cash and cash equivalents:</b>                             |                                                      |                                                    |                                                    |
| Cash on hand                                                                | 39.47                                                | 35.63                                              | 61.22                                              |
| Cheque in Hand                                                              | 187.88                                               | -                                                  | -                                                  |
| With banks                                                                  | 34.12                                                | -                                                  | -                                                  |
| <b>Cash and cash equivalents at the end of the period (Refer note 17)</b>   | <b>261.47</b>                                        | <b>35.63</b>                                       | <b>61.22</b>                                       |

\* given to bank as lien in respect of Credit facilities from the bank. Also, refer note no.17

<sup>#</sup> Opening balance for FY 24-25 includes opening cash and cash equivalents from subsidiaries amounting Rs. 25.30 lakhs which is not available in FY 23-24 closing balance being standalone figures

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Ashwani & Associates**  
Chartered Accountants  
ICAI Firm Registration No.: 000497N

For and on behalf of the Board of Directors of  
**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

Sd/-  
**Mohit Gupta**  
Managing Director  
DIN: 00103720

Sd/-  
**Manju Gupta**  
Director  
DIN: 00124974

Sd/-  
**Sanjeeva Narayan**  
Partner  
Membership No.: 084205

Sd/-  
**Sunil Kumar Gupta**  
Chief Financial Officer

Sd/-  
**Vijay Kumar Sharma**  
Company Secretary  
M No. A17929

Place: New Delhi  
Date: July 28, 2025

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

**CIN: U74999DL2004PLC127108**

**Notes to consolidated financial statements as restated**

**(All amounts in INR lakhs, unless otherwise stated)**

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**1.1 Corporate information**

Matangi Rubber Limited (previously, Matangi Rubber Private Limited) ('the Company') was incorporated on June 23, 2004. The Company is in the business of manufacturing of automobiles rubber flaps for commercial vehicles (Bus, Truck, LCV)

The company has been converted from Private Company to Public Company on November 04, 2024.

The company has two subsidiaries as given below :

i) MG Industries Limited : It is a subsidiary company with a shareholding of the 97.74% of total Equity Share holding. It was incorporated on January 07, 1997. It is engaged in the business of manufacturing rubber products and production and marketing of tyre tubes for two and three wheeler vehicles.

The company acquired 6.90 lakhs equity shares representing 64.23% of the equity share capital of the MG Industries Ltd on October 31, 2024. Consequently, MG industries Ltd became a subsidiary of the company effective from the said date. Furthermore on December 29, 2024, the company acquired an additional 3.60 lakhs equity shares constituting 33.51% of the equity share capital of MG industries Ltd.

ii) Fresca Recycling Technologies Private Limited : It is a subsidiary company with a shareholding of the 70.00% of total Equity Share holding. It was incorporated on November 30, 2024. It is engaged in the business of refinement and purifying of recovered and reclaimed carbon black and carry out recycling of end of life tyres. Fresca Recycling Technologies Private Limited became a subsidiary of the company since incorporation.

Matangi Rubber Limited along with its subsidiaries namely MG industries Ltd. and Fresca Recycling Technologies Private Limited hereinafter referred as ('the Group')

**1.2 Basis of preparation**

Restated consolidated statement of assets and liabilities of the group as at March 31, 2025, March 31, 2024 and March 31, 2023 and the related restated consolidated statement of profits and loss and cash flows for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 (herein collectively referred to as ("Restated Consolidated Statements")) have been compiled by the management from the audited Consolidated Financial Statements of the group for the year ended on March 31, 2025 and audited Standalone Financial Statements of the Company for the year ended on March 31, 2024 and March 31, 2023 approved by the Board of Directors of the Company. Restated Consolidated Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised 2019) ("Guidance Note"). Restated Consolidated Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed SME IPO. The Company's management has recast the consolidated financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated consolidated statements.

Restated consolidated statements of the group have been prepared in accordance with the generally accepted accounting principles in India ("Indian GAAP") to comply with the Accounting Standards as specified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. Restated consolidated statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the restated consolidated statements are consistent with those followed in the previous year, except where otherwise stated in the relevant section.

Restated consolidated statements of group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2021.

Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the restated consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority interest in the net assets of consolidated subsidiaries consists of:

- a. The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
- b. The minority share of movements in equity since the date the parent subsidiary relationship came into existence.

Minority's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit after tax of the Group.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

CIN: U74999DL2004PLC127108

**Notes to consolidated financial statements as restated****(All amounts in INR lakhs, unless otherwise stated)**

Appropriate regroupings have been made in the Restated Consolidated Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited consolidated financial statements of the group, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

For the first time, the Company has prepared restated consolidated financial statements for the financial year ended March 31, 2025, in accordance with the applicable accounting standards. Accordingly, the figures for the previous years represent the restated standalone financial statements of the Company.

**2 Summary of significant accounting policies****2.01 Use of estimates**

The preparation of restated consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**2.02 Property, Plant and Equipment & Intangible assets (including Capital work in progress and Goodwill)**

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Property, plant and equipment that is purchased in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Subsequent expenditure if any, is capitalized if it increases the future economic benefits. All other repair and maintenance costs are recognized in profit or loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Goodwill arising on consolidation represents the excess of the cost of acquisition of the parent's investment in subsidiaries over the parent's share of the net assets of the subsidiaries as at the date of acquisition. Such goodwill is recognized as an asset in consolidated financial statements. If, on the date of acquisition, the parent's share in the net assets of the subsidiary exceeds the cost of investment, the excess is treated as a capital reserve in the consolidated balance sheet.

Goodwill is not amortized but is tested for impairment annually or more frequently when there is an indication that goodwill may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. An impairment loss is recognized in the consolidated statement of profit and loss and is not reversed in subsequent periods.

**2.03 Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment of Matangi Rubber Limited is calculated on a written down value method using the rates arrived at based on the useful lives estimated by the management whereas subsidiary (M.G. Industries Ltd) has calculated using straight line method. The group has used the following rates to provide depreciation on its property, plant and equipment. (Also refer note 10)

| Categories                              | Useful Life (In Years) |
|-----------------------------------------|------------------------|
| Building                                | 30                     |
| Plant and Machinery                     | 8-15                   |
| Furniture and Fixtures                  | 7-10                   |
| Motor Vehicles                          | 8                      |
| Office equipments                       | 5                      |
| Electrical Installations and Equipments | 10                     |
| Computer and computer equipment         | 3                      |

Based on the utilization and expected useful life of these assets for the group, the life of the assets has been taken as life as prescribed in schedule II of Companies Act, 2013.

**2.04 Inventory**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

**2.05 Leases****Company as a lessee****Operating Lease**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Finance Lease**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life of the assets. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term.

**2.06 Impairment of assets**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

**2.07 Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Capitalization of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs are being incurred, and activities necessary to prepare the asset for its intended use or sale are in progress. Capitalization ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are treated as part of borrowing costs and capitalized to the asset. Other exchange differences are expensed as per the requirements of AS 11 – The Effects of Changes in Foreign Exchange Rates.

**2.08 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**2.09 Foreign currency translation**

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**2.10 Retirement and other employee benefits**

Expenses and liabilities in respect of employee benefits are recorded in accordance with the notified Accounting Standard 15, 'Employee Benefits (Revised 2005)' (Revised AS 15).

**Defined Contribution Plan**

PF & ESI benefit is a defined contribution plan under which the group pays fixed contributions into funds established under relevant laws. The group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as and when they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

**Gratuity**

Gratuity is a post employment defined benefit plan. The liability recognised in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are recorded as expense or income in the statement of profit and loss in the year in which such gains or losses arise. Gratuity liability is not funded through any external trust.

**Earned leave**

The group also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as a long term benefit. The compensated absences comprises of vesting as well as non vesting benefit and the liability is determined in accordance with actuarial valuation.

**Other short term benefits**

Expenses relating to other short term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employee.

**2.11 Taxation**

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115JB of the Income-tax Act, 1961.

Deferred income-tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**2.12 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.13 Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**2.14 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the restated consolidated statements.

**2.15 Cash and bank balances**

Cash and cash equivalents comprise cash and current deposits with banks. The group considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. All deposits having a maturity period of more than 3 months and less than 12 months are taken in Other Bank Balances

**2.16 Cash Flow Statement**

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

**2.17 Investments**

Investments, which are readily realizable or intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are valued at lower of cost or net realizable value whereas non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.



**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

**CIN: U74999DL2004PLC127108**

**Notes to consolidated financial statements as restated**

**(All amounts in INR lakhs, unless otherwise stated)**

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**2.18 Event Occurring After The Balance Sheet Date**

Assets and Liabilities are adjusted for events occurring after the Balance Sheet date that provide additional evidence to assist the estimation of amounts relating to condition existing at the Balance sheet date.

**2.19 Net Profit/Loss for the Prior Period, Prior Period Items And Changes In Accounting Policies**

Significant items of Extra-Ordinary Items, and Prior Period Incomes and Expenditures, are accounted in accordance with Accounting Standards 5.

**2.20 Government grants**

Government grants have been recognised in the restated consolidated statements where there is reasonable assurance that the group will comply with the conditions attached thereto and there is reasonable certainty on its ultimate collection. Government grants related to depreciable fixed assets are treated as deferred income and are recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the related assets.

Unamortised balance of grant, to the extent not adjusted, is presented as "Deferred Government Grant Income" under Other long term liabilities.

*(this space has been intentionally left blank)*

| 3 Share capital as restated                                                                             | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|---------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| <b>Authorised share capital</b>                                                                         |                                      |                                    |                                    |
| 200 lakhs equity shares of INR 10/- each (March 31, 2024: 50 lakhs equity shares of INR 10/- each)      | 2,000.00                             | 500.00                             | 500.00                             |
| <b>Total authorised share capital</b>                                                                   | <b>2,000.00</b>                      | <b>500.00</b>                      | <b>500.00</b>                      |
| <b>Issued, subscribed and fully paid-up shares</b>                                                      |                                      |                                    |                                    |
| 34.30 lakhs equity shares of INR 10/- each (March 31, 2024: 27.20 lakhs equity shares of INR 10/- each) | 342.96                               | 272.03                             | 219.60                             |
| <b>Total issued, subscribed and fully paid-up share capital</b>                                         | <b>342.96</b>                        | <b>272.03</b>                      | <b>219.60</b>                      |

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

|                                    | Consolidated as at | March 31, 2025 | Standalone as at | March 31, 2024 | Standalone as at | March 31, 2023 |
|------------------------------------|--------------------|----------------|------------------|----------------|------------------|----------------|
|                                    | No. of shares      | Amount         | No. of shares    | Amount         | No. of shares    | Amount         |
| At the beginning of the year       | 2,720,343          | 272.03         | 2,195,967        | 219.60         | 2,000,000        | 200.00         |
| Add: issued during the year        | 709,266            | 70.93          | 524,376          | 52.43          | 195,967          | 19.60          |
| Outstanding at the end of the year | 3,429,609          | 342.96         | 2,720,343        | 272.03         | 2,195,967        | 219.60         |

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

| Name of shareholder        | Consolidated as at March 31, 2025 |        | Standalone as at March 31, 2024 |        | Standalone as at March 31, 2023 |        |
|----------------------------|-----------------------------------|--------|---------------------------------|--------|---------------------------------|--------|
|                            | No. of shares                     | Amount | No. of shares                   | Amount | No. of shares                   | Amount |
| Radhika Gupta              | 1,643,500                         | 47.92% | 1,643,500                       | 60.42% | 1,643,500                       | 74.84% |
| Mohit Gupta                | 534,048                           | 15.57% | 307,312                         | 11.30% | 237,467                         | 10.81% |
| Manju Gupta                | 457,500                           | 13.34% | 315,000                         | 11.58% | 315,000                         | 14.34% |
| Vandana Rubber & Chemicals | 454,531                           | 13.25% | 454,531                         | 16.71% | -                               | 0.00%  |

As per records of the Company, including its register of shareholders/ members, the above shareholding represents legal ownerships of shares.

d) Details of promoters and their shareholding

|                             | Radhika Gupta    |               | Mohit Gupta    |               | Manju Gupta    |               |
|-----------------------------|------------------|---------------|----------------|---------------|----------------|---------------|
| Particulars                 | No. of shares    | % of holding  | No. of shares  | % of holding  | No. of shares  | % of holding  |
| As on April 1, 2022         | 1,643,500        | 82.18%        | 166,500        | 8.33%         | 190,000        | 9.50%         |
| % change during the year    | -                | -7.34%        | 70,967         | 2.48%         | 125,000        | 4.84%         |
| <b>As on March 31, 2023</b> | <b>1,643,500</b> | <b>74.84%</b> | <b>237,467</b> | <b>10.81%</b> | <b>315,000</b> | <b>14.34%</b> |
| % change during the year    | -                | -14.42%       | 69,845         | 0.49%         | -              | -2.76%        |
| <b>As on March 31, 2024</b> | <b>1,643,500</b> | <b>60.42%</b> | <b>307,312</b> | <b>11.30%</b> | <b>315,000</b> | <b>11.58%</b> |
| % change during the year    | -                | -12.50%       | 226,736        | 4.27%         | 142,500        | 1.76%         |
| <b>As on March 31, 2025</b> | <b>1,643,500</b> | <b>47.92%</b> | <b>534,048</b> | <b>15.57%</b> | <b>457,500</b> | <b>13.34%</b> |

\* % change mentioned here denotes the absolute change of share percentage during the period.

e) No shares have been allotted as fully paid-up shares by way of bonus shares nor have any brought back of shares happened since incorporation of the Company.

f) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash:

During the financial year 2024-25, the Company allotted 1.52 lakhs equity shares as fully paid-up to Mohit Gupta in consideration for the acquisition of 3.60 lakhs equity shares of M.G. Industries Ltd. This transaction was pursuant to a share swap agreement and no cash consideration was received.  
During the financial year 2023-24, the Company allotted 4.55 lakhs and 0.70 lakhs equity shares as fully paid-up with a premium of Rs. 150/- per share to Vandana Rubber and Chemicals Pvt. Ltd. and Mohit Gupta respectively against conversion of unsecured loan of Rs. 727.25 lakhs and Rs. 111.75 lakhs  
During the financial year 2022-23, the Company allotted 1.25 lakhs and 0.71 lakhs equity shares as fully paid-up with a premium of Rs. 150/- per share to Manju Gupta and Mohit Gupta respectively against conversion of unsecured loan of Rs. 200 lakhs and Rs. 113.55 lakhs

| 4 Reserves and surplus as restated                    | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|-------------------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| <b>a) Surplus in the statement of profit and loss</b> |                                      |                                    |                                    |
| Balance as per last financial statements              | 3,265.37                             | 2,789.34                           | 2,468.92                           |
| Profit after tax for the year                         | 1,897.91                             | 476.03                             | 320.42                             |
| Profit share of Minority's Interest                   | -31.19                               | -                                  | -                                  |
| <b>Closing Balance</b>                                | <b>5,132.09</b>                      | <b>3,265.37</b>                    | <b>2,789.34</b>                    |
| <b>b) Securities Premium Account</b>                  |                                      |                                    |                                    |
| Opening Balance                                       | 1,080.51                             | 293.95                             | -                                  |
| Add: Additions during the year                        | 2,697.37                             | 786.56                             | 293.95                             |
| <b>Closing Balance</b>                                | <b>3,777.88</b>                      | <b>1,080.51</b>                    | <b>293.95</b>                      |
| <b>Total reserves and surplus</b>                     | <b>8,909.97</b>                      | <b>4,345.88</b>                    | <b>3,083.29</b>                    |
| <b>Nature and purpose of reserves</b>                 |                                      |                                    |                                    |

a) Surplus in the statement of profit and loss represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.

b) Amount received on issue of shares in excess of the face value has been classified as securities premium. The reserve will be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

| 5 Minority Interest as restated   | M.G. Industries<br>Ltd. | Fresca Recycling<br>Technologies Pvt Ltd | Total        |
|-----------------------------------|-------------------------|------------------------------------------|--------------|
| <b>Particulars</b>                |                         |                                          |              |
| As on April 1, 2022               | -                       | -                                        | -            |
| Movement during the year          | -                       | -                                        | -            |
| <b>As on March 31, 2023</b>       | <b>-</b>                | <b>-</b>                                 | <b>-</b>     |
| Movement during the year          | -                       | -                                        | -            |
| <b>As on March 31, 2024</b>       | <b>-</b>                | <b>-</b>                                 | <b>-</b>     |
| Recognition on Acquisition        | 371.76                  | 0.30                                     | 372.06       |
| Proportion of profit for the year | 31.22                   | -0.03                                    | 31.19        |
| Disposal                          | -373.50                 | -                                        | -373.50      |
| <b>As on March 31, 2025</b>       | <b>29.48</b>            | <b>0.27</b>                              | <b>29.75</b> |

\* Minority interests are measured at the minority interest's proportionate share of the acquiree's identifiable net assets at the acquisition date.

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

CIN: U74999DL2004PLC127108

Notes to consolidated financial statements as restated

(All amounts in INR lakhs, unless otherwise stated)

| 6 Borrowings as restated         | Consolidated as at March 31, 2025 |                 | Standalone as at March 31, 2024 |                 | Standalone as at March 31, 2023 |                 |
|----------------------------------|-----------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|
|                                  | Non-current                       | Current         | Non-current                     | Current         | Non-current                     | Current         |
| <b>Term Loans</b>                |                                   |                 |                                 |                 |                                 |                 |
| - Secured                        |                                   |                 |                                 |                 |                                 |                 |
| - Bank loan                      | 1,696.93                          | 425.64          | 3,513.81                        | 210.32          | 1,063.10                        | 97.85           |
| - Vehicle loan                   | 86.82                             | 38.28           | 98.96                           | 32.41           | 131.38                          | 33.11           |
| - Unsecured*                     |                                   |                 |                                 |                 |                                 |                 |
| - from related parties           | 591.79                            | -               | 358.43                          | -               | 135.60                          | -               |
| - from directors                 | -                                 | -               | 96.69                           | -               | 68.48                           | -               |
| <b>Loans repayable on demand</b> |                                   |                 |                                 |                 |                                 |                 |
| - Secured                        |                                   |                 |                                 |                 |                                 |                 |
| - Cash Credit                    | -                                 | 2,017.24        | -                               | 1,783.14        | -                               | 1,316.90        |
| - Working capital                | -                                 | 4,181.54        | -                               | 200.00          | -                               | 200.00          |
| - Unsecured                      |                                   |                 |                                 |                 |                                 |                 |
| - Working Capital #              | -                                 | 148.00          | -                               | -               | -                               | -               |
| <b>Total borrowings</b>          | <b>2,375.54</b>                   | <b>6,810.70</b> | <b>4,067.89</b>                 | <b>2,225.87</b> | <b>1,398.56</b>                 | <b>1,647.86</b> |

\*Loan from Directors & related parties are interest-free and expected to be repaid after 12 months from the reporting date. Also refer Note no. 37

# loan is backed by Director's Personal Guarantee :- 1. Mohit Gupta 2. Manju Gupta 3. Radhika Gupta

**Nature Of Security And Terms Of Repayment :**

| Name of the Loan                       | Type of Loan              | Sanction Limit | Term of Repayment     | Rate of Interest  | Number of Installment (O/S) | Amount Outstanding as on 31st march, 2025 | Nature of the Security |
|----------------------------------------|---------------------------|----------------|-----------------------|-------------------|-----------------------------|-------------------------------------------|------------------------|
| <b>Current</b>                         |                           |                |                       |                   |                             |                                           |                        |
| State Bank of India                    | Cash Credit               | 1,800.00       | Repayable on Demand   | 9.40% (Floating)  | NA                          | 1,772.75                                  | Point 1*               |
| State Bank of India-SLC                | Working capital (secured) | 200.00         | Repayable on Demand   | 10.65% (Floating) | NA                          | 198.23                                    | Point 1*               |
| State Bank of India (Foreign Currency) | Working capital (secured) | 4,000.00       | 6 months              | 8.97% (Floating)  | NA                          | 3,983.31                                  | Point 1*               |
| HDFC Bank Limited                      | Cash Credit               | 250.00         | Repayable on Demand   | 9.00% (Floating)  | NA                          | 244.49                                    | Point 4*               |
| <b>Non-Current loan</b>                |                           |                |                       |                   |                             |                                           |                        |
| State Bank of India-Term Loan II       | Bank loan                 | 4,800.00       | Repayable in 132 EMIs | 10% (Floating)    | 132                         | 754.05                                    | Point 1*               |
| State Bank India GECL Fund             | Bank loan                 | 353.00         | Repayable in 60 EMIs  | 9.25% (Floating)  | NA                          | Nil                                       | Point 1*               |
| State Bank India-Term Loan             | Bank loan                 | 200.00         | Repayable in 47 EMIs  | 9.25% (Floating)  | NA                          | Nil                                       | NA                     |
| Yes Bank Ltd.                          | Bank loan                 | 561.37         | Repayable in 107 EMIs | 9.80% (Floating)  | 103                         | 538.84                                    | Point 2*               |
| YES BANK LTD.                          | Bank loan                 | 700.00         | Repayable in 155 EMIs | 12.61% (Floating) | NA                          | Nil                                       | Point 2*               |
| HDFC Bank Limited                      | Bank loan                 | 994.71         | Point 3*              | Point 3*          | Point 3*                    | 829.68                                    | Point 4*               |
| Citi Corp Finance (India)Ltd           | Vehicle Loan              | 29.60          | Repayable in 60 EMIs  | 7.20%             | 14                          | 8.04                                      | Vehicle                |
| ICICI BANK LTD                         | Vehicle Loan              | 78.83          | Repayable in 84 EMIs  | 7.00%             | 45                          | 46.45                                     | Vehicle                |
| ICICI BANK LTD                         | Vehicle Loan              | 32.50          | Repayable in 48 EMIs  | 8.50%             | NA                          | Nil                                       | Vehicle                |
| Axis Bank Ltd.                         | Vehicle Loan              | 70.98          | Repayable in 84 EMIs  | 6.80%             | 48                          | 44.46                                     | Vehicle                |
| HDFC Bank Limited                      | Vehicle Loan              | 33.94          | Repayable in 39 EMIs  | 8.95%             | 29                          | 26.15                                     | Vehicle                |

**Point 1\***

a) Hypothecation of entire current assets of the unit i.e., entire stock of the company including stock in transit, advance payment to suppliers etc both present and future.

b) Hypothecation of entire receivables of the unit Book Debts, Govt Receivables etc. both present and future..

c) Hypothecation of all plant & machinery and fixed assets present and future created out of Bank finance

d) Equitable Mortgage of factory land & building situated at Plot No 78, Malanpur Industrial Area, Bhind, Madhya Pradesh, admeasuring 16682 sq mt owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

e) Equitable Mortgage of properties, details of properties are as under:

1. Factory Land & Buildings at freehold industrial plot at Khasra No 1036, 1038 & 1039 at Camp Road, Central Hope Town, Vikas Nagar, Selaqui, Dehradun, Uttarakhand 248197 admeasuring Total area 4515 sq mtr owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

2. Freehold Residential property at Khasra No 197/2 (previously known as 156/197/2), Rajpur Road, Dehradun, Uttarakhand, 248009 admeasuring Total Area 335.12 sqmtr owned by Mr Mohit Gupta;

3. Freehold Residential Plot at Plot No 6, Block B1, Village Tigra, Sushant Lok III, Gurugram, Haryana 122002 admeasuring Total Area 396.93 sq mtr owned by Mr Mohit Gupta;

4. Freehold Residential DDA SFS Category II Flat No 153, Ground Floor, Pocket 6, site III Narsipur, Dwarka, Phase I New Delhi 110075 admeasuring Total Area 80 sq mtr owned by Mrs Manju Gupta;

5. Industrial Property at Plot No 32, SIDCO Industrial Estate, Gummidipoondi, Chennai, Tamil Nadu 601201 admeasuring Total Area 0.235 Acres owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

6. Industrial Property at Plot No D12, Sahibabad Industrial Area, Site IV, Sahibabad, Distt Ghaziabad, UP admeasuring total area 2159.70 sqmtr owned by M/s Qualimax Electronics Pvt Ltd.

7. Equitable Mortgage with First Charge on Freehold Industrial plot at Khasra No 1029 & 1040 at Camp Road, Central Hope Town, Vikas Nagar, Selaqui, Dehradun, Uttarakhand, 248197 admeasuring Total Area 1947.91 sq mtr owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

8. Lien On STDR/Mutual Fund of Rs 50 lakhs in name of Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

f) Director's Personal Guarantee :- 1. Mohit Gupta 2. Manju Gupta 3. Radhika Gupta

g) Other Corporate Guarantee :- Qualimax Electronics Private Limited.

**Point 2\***

The loan is secured by immovable property owned by the directors, situated at 83 Anand Lok, Sadiq Nagar, South Delhi – 110049.

**Point 3\***

Term loan of Rs 243.77 lakhs, Rs 200.00 lakhs, Rs 308.79 lakhs and Rs 242.15 lakhs repayable in 25, 65, 49 and 83 equated monthly instalments of Rs 10.81 lakhs, Rs 3.93 lakhs, Rs 7.66 lakhs and Rs 4.04 lakhs respectively along with average interest ranging from 9.22% to 9.89% p.a.

**Point 4\***

Secured by exclusive hypothecation of inventory, book debt and other current assets both present and future including all moveable fixed assets of the MG industries Ltd and guaranteed by director and related parties. Additionally the facility is secured by creating an equitable mortgage of the MG industries Ltd's industrial property admeasuring 2,07,591 Sq feet situated at Plot No. 8, Industrial Area, Village Malanpur, Gohad Tehsil, District Bhind, Madhya Pradesh - 477 117.

| 7 Provisions as restated                                        | Consolidated as at March 31, 2025 |               | Standalone as at March 31, 2024 |               | Standalone as at March 31, 2023 |              |
|-----------------------------------------------------------------|-----------------------------------|---------------|---------------------------------|---------------|---------------------------------|--------------|
|                                                                 | Non-current                       | Current       | Non-current                     | Current       | Non-current                     | Current      |
| Provision for income-tax (net of advance income-tax, TDS, TCS)* | -                                 | 389.98        | -                               | 139.43        | -                               | 85.84        |
| Provision for gratuity (refer note 29(b))                       | 46.63                             | 2.85          | 19.66                           | 1.60          | 11.64                           | 0.58         |
| Provision for leave encashment (refer note 29(c))               | 8.53                              | 6.70          | -                               | -             | 0.55                            | 0.07         |
| <b>Total provisions</b>                                         | <b>55.16</b>                      | <b>399.53</b> | <b>19.66</b>                    | <b>141.03</b> | <b>12.19</b>                    | <b>86.49</b> |

\* refer note no. 14

| 8 Other liabilities as restated                | Consolidated as at March 31, 2025 |               | Standalone as at March 31, 2024 |               | Standalone as at March 31, 2023 |               |
|------------------------------------------------|-----------------------------------|---------------|---------------------------------|---------------|---------------------------------|---------------|
|                                                | Non-current                       | Current       | Non-current                     | Current       | Non-current                     | Current       |
| Employee related payable**                     | -                                 | 57.71         | -                               | 49.79         | -                               | 33.73         |
| Advance from customers                         | -                                 | 19.31         | -                               | 1.73          | -                               | 0.25          |
| Interest accrued and due on borrowings         | -                                 | 93.85         | -                               | 30.14         | -                               | 6.53          |
| Interest accrued but not due on borrowings     | -                                 | 13.56         | -                               | 3.49          | -                               | 3.94          |
| Deferred government grant income (see note 48) | 191.31                            | 16.05         | -                               | -             | -                               | -             |
| Security deposit from others #                 | 99.44                             | -             | -                               | -             | -                               | -             |
| Other payables                                 | -                                 | 159.79        | -                               | 16.49         | -                               | 30.35         |
| Statutory dues payable                         | -                                 | -             | -                               | -             | -                               | -             |
| - GST payable                                  | -                                 | 102.38        | -                               | 8.91          | -                               | 3.23          |
| - TDS/TCS payable                              | -                                 | 38.91         | -                               | 40.84         | -                               | 13.31         |
| - Other statutory dues payable*                | -                                 | 104.75        | -                               | 66.31         | -                               | 65.70         |
| <b>Total Other liabilities</b>                 | <b>290.75</b>                     | <b>606.31</b> | <b>-</b>                        | <b>217.70</b> | <b>-</b>                        | <b>157.04</b> |

\* Other Statutory dues payable includes undisputed income tax demand(excluding interest) of Rs. 60.01 lakhs & EPF & ESIC demand and penalty of Rs. 4.43 lakhs

# Includes security deposit of Rs. 99.44 lakhs received from JK Tyre and Industries Limited pursuant to an agreement executed on 30 December 2020. The security deposit carries an interest rate of 12% p.a.

\*\* For FY 23-24, amount includes director remuneration payable amounting Rs. 15.71 lakhs. Also refer note no. 37

| 9 Trade payable as restated                                                | Consolidated as at March 31, 2025 | Standalone as at March 31, 2024 | Standalone as at March 31, 2023 |
|----------------------------------------------------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| Total outstanding dues of micro enterprises and small enterprises          | -                                 | -                               | -                               |
| Total outstanding dues of creditors other than micro and small enterprises | 1,285.85                          | 1,452.84                        | 1,098.54                        |
| <b>Total trade payables</b>                                                | <b>1,285.85</b>                   | <b>1,452.84</b>                 | <b>1,098.54</b>                 |

**Notes related to trade payables:**

- (i) Refer note 45 for details of dues to micro and small enterprises.  
(ii) Refer note 33 for ageing of trade payables.

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Matangi Rubber Limited (previously, Matangi Rubber Private Limited)  
CIN: U74999DL2004PLC127108  
Notes to consolidated financial statements as restated  
(All amounts in INR lakhs, unless otherwise stated)

| 10 Property, plant and equipment as restated |               |                   |                        |               |                  |                                         |                  |              |                 |
|----------------------------------------------|---------------|-------------------|------------------------|---------------|------------------|-----------------------------------------|------------------|--------------|-----------------|
|                                              | Land          | Plant & Machinery | Furniture and fixtures | Vehicle       | Office Equipment | Electrical Installations and Equipments | Factory Building | Computers    | Total           |
| <b>Gross block</b>                           |               |                   |                        |               |                  |                                         |                  |              |                 |
| <b>As on April 1, 2022</b>                   | <b>311.13</b> | <b>1,055.71</b>   | <b>222.68</b>          | <b>291.91</b> | <b>18.87</b>     | <b>1.98</b>                             | <b>288.08</b>    | <b>34.44</b> | <b>2,224.80</b> |
| Additions                                    | -             | 38.22             | 32.18                  | 0.63          | 10.54            | 1.45                                    | 0.10             | 7.94         | 91.06           |
| Deletions                                    | -             | -                 | -                      | -             | -                | -                                       | -                | -            | -               |
| <b>As on March 31, 2023</b>                  | <b>311.13</b> | <b>1,093.93</b>   | <b>254.86</b>          | <b>292.54</b> | <b>29.41</b>     | <b>3.43</b>                             | <b>288.18</b>    | <b>42.38</b> | <b>2,315.86</b> |
| Additions                                    | 245.59        | 848.20            | 37.19                  | 12.45         | 8.83             | 51.69                                   | 12.85            | 18.62        | 1,235.42        |
| Deletions                                    | -             | -96.29            | -                      | -             | -                | -                                       | -                | -            | -96.29          |
| <b>As on March 31, 2024</b>                  | <b>556.72</b> | <b>1,845.84</b>   | <b>292.05</b>          | <b>304.99</b> | <b>38.24</b>     | <b>55.12</b>                            | <b>301.03</b>    | <b>61.00</b> | <b>3,454.99</b> |
| Adjustment for consolidation                 | 6.89          | 1,768.55          | 59.31                  | 38.77         | 12.79            | -                                       | 176.09           | 17.00        | 2,079.40        |
| Additions                                    | -             | 561.51            | 8.61                   | 0.85          | 25.10            | -                                       | 1.27             | 10.73        | 608.07          |
| Deletions                                    | -             | -398.50           | -2.93                  | -3.81         | -                | -                                       | -                | -            | -405.24         |
| <b>As on March 31, 2025</b>                  | <b>563.61</b> | <b>3,777.40</b>   | <b>357.04</b>          | <b>340.80</b> | <b>76.13</b>     | <b>55.12</b>                            | <b>478.39</b>    | <b>88.73</b> | <b>5,737.22</b> |
| <b>Accumulated depreciation</b>              |               |                   |                        |               |                  |                                         |                  |              |                 |
| <b>As on April 1, 2022</b>                   | <b>-</b>      | <b>673.71</b>     | <b>192.02</b>          | <b>91.46</b>  | <b>14.99</b>     | <b>1.29</b>                             | <b>150.20</b>    | <b>30.84</b> | <b>1,154.51</b> |
| Depreciation for the year                    | -             | 71.96             | 10.37                  | 62.38         | 3.82             | 0.40                                    | 13.11            | 4.08         | 166.12          |
| Deletions                                    | -             | -                 | -                      | -             | -                | -                                       | -                | -            | -               |
| <b>As on March 31, 2023</b>                  | <b>-</b>      | <b>745.67</b>     | <b>202.39</b>          | <b>153.84</b> | <b>18.81</b>     | <b>1.69</b>                             | <b>163.31</b>    | <b>34.92</b> | <b>1,320.63</b> |
| Depreciation for the year                    | -             | 84.99             | 12.83                  | 43.24         | 5.79             | 1.33                                    | 12.00            | 5.29         | 165.47          |
| Deletions                                    | -             | -90.14            | -                      | -             | -                | -                                       | -                | -            | -90.14          |
| <b>As on March 31, 2024</b>                  | <b>-</b>      | <b>740.52</b>     | <b>215.22</b>          | <b>197.08</b> | <b>24.60</b>     | <b>3.02</b>                             | <b>175.31</b>    | <b>40.21</b> | <b>1,395.96</b> |
| Adjustment for consolidation                 | -             | 1,102.79          | 49.80                  | 2.35          | 7.15             | -                                       | 76.73            | 15.82        | 1,254.64        |
| Depreciation for the year                    | -             | 202.79            | 18.91                  | 35.11         | 8.53             | 13.49                                   | 12.07            | 15.13        | 306.03          |
| Deletions                                    | -             | -47.71            | -1.71                  | -2.85         | -                | -                                       | -                | -            | -52.27          |
| <b>As on March 31, 2025</b>                  | <b>-</b>      | <b>1,998.39</b>   | <b>282.22</b>          | <b>231.69</b> | <b>40.28</b>     | <b>16.51</b>                            | <b>264.11</b>    | <b>71.16</b> | <b>2,904.36</b> |
| <b>Net block</b>                             |               |                   |                        |               |                  |                                         |                  |              |                 |
| <b>As on March 31, 2023</b>                  | <b>311.13</b> | <b>348.26</b>     | <b>52.47</b>           | <b>138.70</b> | <b>10.60</b>     | <b>1.74</b>                             | <b>124.87</b>    | <b>7.46</b>  | <b>995.23</b>   |
| <b>As on March 31, 2024</b>                  | <b>556.72</b> | <b>1,105.32</b>   | <b>76.83</b>           | <b>107.91</b> | <b>13.64</b>     | <b>52.10</b>                            | <b>125.72</b>    | <b>20.79</b> | <b>2,059.03</b> |
| <b>As on March 31, 2025</b>                  | <b>563.61</b> | <b>1,779.01</b>   | <b>74.82</b>           | <b>109.11</b> | <b>35.85</b>     | <b>38.61</b>                            | <b>214.28</b>    | <b>17.57</b> | <b>2,832.86</b> |

\*During the year ended 31 March 2025, the Company's Subsidiary - MG industries Ltd. has changed the method of depreciation from written down value method to straight line method being in the nature of accounting estimate. The change has been applied prospectively in accordance with the applicable accounting standards. As a result of this change, the depreciation charge for the year ended 31 March 2025 is lower by Rs. 127.70 lakhs.

| 10.1 Movement in Goodwill as restated      |                 |
|--------------------------------------------|-----------------|
| Particulars                                | Total           |
| <b>As on April 1, 2022</b>                 | <b>-</b>        |
| Goodwill arising on acquisition            | -               |
| Impairment loss recognized                 | -               |
| <b>As on March 31, 2023</b>                | <b>-</b>        |
| Goodwill arising on acquisition            | -               |
| Impairment loss recognized                 | -               |
| <b>As on March 31, 2024</b>                | <b>-</b>        |
| Goodwill arising on acquisition            | 712.63          |
| Goodwill arising on subsequent acquisition | 346.50          |
| Impairment loss recognized                 | -               |
| <b>As on March 31, 2025</b>                | <b>1,059.13</b> |

| 11 Capital work-in-progress as restated |                 |
|-----------------------------------------|-----------------|
|                                         | Total           |
| <b>Gross carrying amount</b>            |                 |
| <b>As on April 1, 2022</b>              | <b>-</b>        |
| Additions                               | 670.62          |
| Adjustments                             | -               |
| <b>As on March 31, 2023</b>             | <b>670.62</b>   |
| Additions                               | 2,466.41        |
| Adjustments                             | -841.83         |
| <b>As on March 31, 2024</b>             | <b>2,295.20</b> |
| Adjustment for consolidation            | 327.24          |
| Additions                               | 3,654.56        |
| Adjustments                             | -4.94           |
| <b>As on March 31, 2025</b>             | <b>6,272.06</b> |

| 11.1 Capital work-in-progress ageing schedule      |                  |                 |              |                   |                 |  |
|----------------------------------------------------|------------------|-----------------|--------------|-------------------|-----------------|--|
| Amount in Capital work-in-progress for a period of |                  |                 |              |                   |                 |  |
| Capital work-in-progress as on March 31, 2025      | Less than 1 year | 1-2 years       | 2-3 years    | More than 3 years | Total           |  |
| Project in progress                                | 3,981.80         | 2,262.19        | 28.07        | -                 | 6,272.06        |  |
| <b>Total</b>                                       | <b>3,981.80</b>  | <b>2,262.19</b> | <b>28.07</b> | <b>-</b>          | <b>6,272.06</b> |  |
| Amount in Capital work-in-progress for a period of |                  |                 |              |                   |                 |  |
| Capital work-in-progress as on March 31, 2024      | Less than 1 year | 1-2 years       | 2-3 years    | More than 3 years | Total           |  |
| Project in progress                                | 2,262.19         | 33.01           | -            | -                 | 2,295.20        |  |
| <b>Total</b>                                       | <b>2,262.19</b>  | <b>33.01</b>    | <b>-</b>     | <b>-</b>          | <b>2,295.20</b> |  |
| Amount in Capital work-in-progress for a period of |                  |                 |              |                   |                 |  |
| Capital work-in-progress as on March 31, 2023      | Less than 1 year | 1-2 years       | 2-3 years    | More than 3 years | Total           |  |
| Project in progress                                | 670.62           | -               | -            | -                 | 670.62          |  |
| <b>Total</b>                                       | <b>670.62</b>    | <b>-</b>        | <b>-</b>     | <b>-</b>          | <b>670.62</b>   |  |

\* The Company is in the process of finalizing the project cost estimates and related budgets. Accordingly, the project estimated cost information including expected completion timelines are not available.

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

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(All amounts in INR lakhs, unless otherwise stated)

| 12 Deferred tax assets (net) as restated            | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|-----------------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| <b>Deferred tax asset</b>                           |                                      |                                    |                                    |
| Property, plant and equipment                       | 10.25                                | 19.83                              | 27.06                              |
| Employee benefits                                   | 16.29                                | 5.91                               | 3.57                               |
| Provision for advances                              | 3.40                                 | -                                  | -                                  |
| <b>Gross deferred tax asset</b>                     | <b>29.94</b>                         | <b>25.74</b>                       | <b>30.63</b>                       |
| <b>Deferred tax liability</b>                       |                                      |                                    |                                    |
| Property, plant and equipment and intangible assets | -                                    | -                                  | -                                  |
| <b>Gross deferred tax liability</b>                 | <b>-</b>                             | <b>-</b>                           | <b>-</b>                           |
| <b>Net deferred tax assets/(Liability)</b>          | <b>29.94</b>                         | <b>25.74</b>                       | <b>30.63</b>                       |

| 13 Investments as restated                                                                                                            | Consolidated as at March 31, 2025 |              | Standalone as at March 31, 2024 |          | Standalone as at March 31, 2023 |          |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------|---------------------------------|----------|---------------------------------|----------|
|                                                                                                                                       | Non-current                       | Current      | Non-current                     | Current  | Non-current                     | Current  |
| <b>Investment - Valued at Cost</b>                                                                                                    |                                   |              |                                 |          |                                 |          |
| <b>Investment in unquoted shares</b>                                                                                                  |                                   |              |                                 |          |                                 |          |
| a) Vandana Rubber and Chemicals Pvt. Ltd.<br>3,500 Equity shares of Rs. 10 each                                                       | 1.88                              |              | 1.88                            |          | 1.88                            |          |
| b) Vantage Brands Pvt. Ltd.<br>1,400 Equity shares of Rs. 10 each                                                                     | 1.71                              |              | 1.71                            |          | 1.71                            |          |
| c) Vantage Research Service Pvt. Ltd.<br>1,200 Equity shares of Rs. 10 each                                                           | 52.20                             |              | 52.20                           |          | 52.20                           |          |
| d) Vikram Polymer<br>140 Equity shares of Rs. 100 each                                                                                | 4.15                              |              | 4.15                            |          | 4.15                            |          |
| e) Sidhi Tyre Product India Pvt. Ltd.*                                                                                                | -                                 |              | -                               |          | -                               |          |
| <b>Alternate investment fund</b>                                                                                                      |                                   |              |                                 |          |                                 |          |
| a) Ask Real Estate Special Opportunities Fund<br>55.96 Units(FY 23-24 - 69.06 units) (FY 22-23 - 89.22 units) of<br>Rs. 1,00,000 each | 55.96                             |              | 69.07                           |          | 89.22                           |          |
| <b>Mutual funds</b>                                                                                                                   |                                   |              |                                 |          |                                 |          |
| a) SBI Mutual Fund #<br>100766.345 Units of Rs. 55.1347 each                                                                          | 55.56                             |              | 55.56                           |          | 55.56                           |          |
| <b>Investments - Valued at lower of cost or NRV</b>                                                                                   |                                   |              |                                 |          |                                 |          |
| <b>Mutual funds</b>                                                                                                                   |                                   |              |                                 |          |                                 |          |
| a) SBI Equity Saving Fund<br>43,216,599 units of Rs. 23.1381 each & 21547.21 units of Rs.<br>23.2037 each                             |                                   | 14.71        | -                               |          | -                               |          |
| <b>Total investments</b>                                                                                                              | <b>171.46</b>                     | <b>14.71</b> | <b>184.57</b>                   | <b>-</b> | <b>204.72</b>                   | <b>-</b> |
| Aggregate value of quoted investments                                                                                                 | -                                 | -            | -                               | -        | -                               | -        |
| Aggregate market value of quoted investments                                                                                          | -                                 | -            | -                               | -        | -                               | -        |
| Aggregate carrying value of unquoted investments                                                                                      | 171.46                            | 14.71        | 184.57                          | -        | 204.72                          | -        |
| Aggregate provision for diminution in value of investments                                                                            | -                                 | 0.29         | -                               | -        | -                               | -        |

\* Investment has been written off as share investment details are not available with the company

# Mutual funds are held as security for secured loans from SBI (also refer note 6)

| 14 Loans and advances as restated                                    | Consolidated as at March 31, 2025 |                 | Standalone as at March 31, 2024 |                 | Standalone as at March 31, 2023 |                 |
|----------------------------------------------------------------------|-----------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|
|                                                                      | Non-current                       | Current         | Non-current                     | Current         | Non-current                     | Current         |
| <b>Unsecured, considered good</b>                                    |                                   |                 |                                 |                 |                                 |                 |
| Balance with government authorities                                  |                                   |                 |                                 |                 |                                 |                 |
| - GST credit/Custom Duty                                             | -                                 | 826.62          | -                               | 380.30          | -                               | 42.07           |
| - Advance Tax, TDS/TCS receivable (net of provision of income tax)** | -                                 | 61.83           | -                               | -               | -                               | -               |
| Advance to suppliers/vendors                                         |                                   |                 |                                 |                 |                                 |                 |
| - Considered good                                                    | 37.22                             | 2,074.14        | -                               | 1,752.96        | -                               | 465.69          |
| - Considered doubtful                                                | 13.50                             | -               | -                               | -               | -                               | -               |
| Less : Provision                                                     | -13.50                            | -               | -                               | -               | -                               | -               |
|                                                                      | 37.22                             | 2,074.14        | -                               | 1,752.96        | -                               | 465.69          |
| Advance to employees*                                                | -                                 | 28.68           | -                               | 14.44           | -                               | 7.00            |
| Loans and advances to related parties*                               | 385.20                            | 38.76           | -                               | 1,506.41        | -                               | 1,208.53        |
| Other receivables                                                    | 25.11                             | 131.12          | -                               | 49.08           | -                               | 43.58           |
| Security deposit                                                     | 187.35                            | 10.00           | 63.10                           | 9.70            | 43.91                           | 9.70            |
| <b>Total loans and advances</b>                                      | <b>634.88</b>                     | <b>3,171.15</b> | <b>63.10</b>                    | <b>3,712.89</b> | <b>43.91</b>                    | <b>1,776.57</b> |

\* also refer note no. 37

\*\* amount pertains to subsidiary, thereby cannot be setoff against Provision for tax in Note no. 7

Matangi Rubber Limited (previously, Matangi Rubber Private Limited)  
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| 15 Inventories as restated                                            | Consolidated as at<br>March 31, 2025         | Standalone as at<br>March 31, 2024         | Standalone as at<br>March 31, 2023         |
|-----------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Valued at lower of cost or net realisable value</b>                |                                              |                                            |                                            |
| Raw material (including consumables and packing material)             | 1,657.06                                     | 1,094.52                                   | 1,205.45                                   |
| Finished goods                                                        | 1,815.56                                     | 1,264.60                                   | 1,122.66                                   |
| <b>Total inventories</b>                                              | <b>3,472.62</b>                              | <b>2,359.12</b>                            | <b>2,328.11</b>                            |
| <b>16 Trade receivables as restated</b>                               | <b>Consolidated as at<br/>March 31, 2025</b> | <b>Standalone as at<br/>March 31, 2024</b> | <b>Standalone as at<br/>March 31, 2023</b> |
| Unsecured, considered good                                            | 2,961.32                                     | 1,669.20                                   | 1,583.72                                   |
| <b>Total trade receivables</b>                                        | <b>2,961.32</b>                              | <b>1,669.20</b>                            | <b>1,583.72</b>                            |
| <b>Notes related to trade receivables:</b>                            |                                              |                                            |                                            |
| 1. Refer note 32 for ageing of trade receivables.                     |                                              |                                            |                                            |
| 2. Also refer Note no. 37                                             |                                              |                                            |                                            |
| <b>17 Cash and bank balances as restated</b>                          | <b>Consolidated as at<br/>March 31, 2025</b> | <b>Standalone as at<br/>March 31, 2024</b> | <b>Standalone as at<br/>March 31, 2023</b> |
| <b>Balances with banks:</b>                                           |                                              |                                            |                                            |
| - On current accounts                                                 | 34.12                                        | -                                          | -                                          |
| Cash on hand                                                          | 39.47                                        | 35.63                                      | 61.22                                      |
| Cheque in Hand                                                        | 187.88                                       | -                                          | -                                          |
| Other Bank balances*                                                  | 6.40                                         | -                                          | -                                          |
| <b>Total cash and cash equivalents</b>                                | <b>267.87</b>                                | <b>35.63</b>                               | <b>61.22</b>                               |
| * given to bank as lien in respect of Credit facilities from the bank |                                              |                                            |                                            |
| <b>18 Other Current Assets as restated</b>                            | <b>Consolidated as at<br/>March 31, 2025</b> | <b>Standalone as at<br/>March 31, 2024</b> | <b>Standalone as at<br/>March 31, 2024</b> |
| Prepaid expenses                                                      | 12.12                                        | 8.49                                       | 8.84                                       |
| Accrued interest                                                      | -                                            | 1.16                                       | -                                          |
| Government grant receivable (see note 48)                             | 34.40                                        | -                                          | -                                          |
| Other assets*                                                         | -                                            | 328.77                                     | -                                          |
| <b>Total other current assets</b>                                     | <b>46.52</b>                                 | <b>338.42</b>                              | <b>8.84</b>                                |

\* Other assets include amounts deposited with the GST department in response to a demand raised in an enquiry order, which was subsequently settled in the FY 2024-25.

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Matangi Rubber Limited (previously, Matangi Rubber Private Limited)

CIN: U74999DL2004PLC127108

Notes to consolidated financial statements as restated

(All amounts in INR lakhs, unless otherwise stated)

|                                                                        | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>19 Revenue from operations as restated</b>                          |                                                      |                                                    |                                                    |
| Sale of manufactured goods                                             | 8,785.42                                             | 8,033.28                                           | 8,223.02                                           |
| Sale of traded goods                                                   | 12.01                                                | 538.54                                             | -                                                  |
| Sale of Scrap                                                          | 151.00                                               | 162.58                                             | 70.60                                              |
| Sale of services                                                       | 1,188.58                                             | 277.46                                             | 242.13                                             |
| <b>Total revenue from operations</b>                                   | <b>10,137.01</b>                                     | <b>9,011.86</b>                                    | <b>8,535.75</b>                                    |
| <b>20 Other income as restated</b>                                     |                                                      |                                                    |                                                    |
| Interest income                                                        |                                                      |                                                    |                                                    |
| - on bank deposits                                                     | 0.09                                                 | 2.31                                               | 3.16                                               |
| - on others                                                            | 82.42                                                | 108.82                                             | 106.17                                             |
| Gain/Loss on sale of property, plant and equipment                     | 142.62                                               | -                                                  | -                                                  |
| Gain on sale of investments                                            | 0.69                                                 | 0.32                                               | -                                                  |
| Liabilities and provision no longer required, written back             | 46.24                                                | 0.57                                               | -                                                  |
| Foreign exchange gain                                                  | 0.84                                                 | 2.60                                               | -                                                  |
| Government grant income (note 48)                                      | 6.64                                                 | -                                                  | -                                                  |
| GST refund paid earlier                                                | 26.94                                                | -                                                  | -                                                  |
| Miscellaneous income                                                   | 32.26                                                | 0.03                                               | -                                                  |
| <b>Total other income</b>                                              | <b>338.74</b>                                        | <b>114.65</b>                                      | <b>109.33</b>                                      |
| <b>21 Cost of materials consumed as restated</b>                       |                                                      |                                                    |                                                    |
| Opening stock                                                          | 1,172.43                                             | 1,205.45                                           | 1,052.39                                           |
| Purchase of raw materials (including consumables and packing material) | 4,907.97                                             | 5,568.16                                           | 6,019.74                                           |
| Closing stock                                                          | -1,651.18                                            | -1,094.52                                          | -1,205.45                                          |
| <b>Total cost of materials consumed</b>                                | <b>4,429.22</b>                                      | <b>5,679.09</b>                                    | <b>5,866.68</b>                                    |
| <b>22 Purchase of stock in trade as restated</b>                       |                                                      |                                                    |                                                    |
| Stock in trade                                                         | 47.76                                                | 230.63                                             | -                                                  |
| <b>Total purchase of stock in trade</b>                                | <b>47.76</b>                                         | <b>230.63</b>                                      | <b>-</b>                                           |
| <b>23 Changes in inventories of finished goods as restated</b>         |                                                      |                                                    |                                                    |
| <b>Inventories at the end of the year</b>                              |                                                      |                                                    |                                                    |
| Finished goods                                                         | 1,815.56                                             | 1,264.60                                           | 1,122.66                                           |
|                                                                        | <b>1,815.56</b>                                      | <b>1,264.60</b>                                    | <b>1,122.66</b>                                    |
| <b>Inventories at the beginning of the year</b>                        |                                                      |                                                    |                                                    |
| Finished goods                                                         | 1,264.60                                             | 1,122.66                                           | 774.66                                             |
|                                                                        | <b>1,264.60</b>                                      | <b>1,122.66</b>                                    | <b>774.66</b>                                      |
| <b>Changes in inventories of finished goods</b>                        | <b>-550.96</b>                                       | <b>-141.94</b>                                     | <b>-348.00</b>                                     |
| <b>24 Direct expenses as restated</b>                                  |                                                      |                                                    |                                                    |
| Wages                                                                  | 686.32                                               | 346.13                                             | 295.65                                             |
| Stores, Spares & Consumables                                           | 93.10                                                | 20.19                                              | 138.81                                             |
| Power, fuel and water charges                                          | 545.29                                               | 383.33                                             | 275.67                                             |
| Repair and maintenance                                                 |                                                      |                                                    |                                                    |
| - P & M                                                                | 55.03                                                | 25.62                                              | 44.75                                              |
| - Building                                                             | 18.75                                                | 1.85                                               | 4.76                                               |
| Loading, unloading & packing charges                                   | 96.06                                                | 91.18                                              | 93.65                                              |
| <b>Total direct expenses</b>                                           | <b>1,494.55</b>                                      | <b>868.30</b>                                      | <b>853.29</b>                                      |

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

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**Notes to consolidated financial statements as restated**

(All amounts in INR lakhs, unless otherwise stated)

|                                                               | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|---------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <b>25 Employee benefits expense as restated</b>               |                                                      |                                                    |                                                    |
| Salaries, bonus and incentive                                 | 374.09                                               | 290.31                                             | 373.61                                             |
| Director's Remuneration                                       | 279.00                                               | 312.00                                             | 279.00                                             |
| Contribution to provident and other fund                      | 19.87                                                | 14.27                                              | 12.30                                              |
| Leave encashment expense (Refer Note no 30(c) )               | 1.49                                                 | -0.62                                              | 0.09                                               |
| Gratuity expense (Refer Note no 30(b) )                       | 14.62                                                | 9.04                                               | 1.43                                               |
| Staff welfare expense                                         | 27.98                                                | 67.49                                              | 68.86                                              |
| <b>Total employee benefits expense</b>                        | <b>717.05</b>                                        | <b>692.49</b>                                      | <b>735.29</b>                                      |
| <b>26 Finance costs as restated</b>                           |                                                      |                                                    |                                                    |
| Interest expense                                              |                                                      |                                                    |                                                    |
| - on term loan                                                | 146.85                                               | 109.79                                             | 114.85                                             |
| - on other                                                    | 222.41                                               | 192.25                                             | 179.52                                             |
| <b>Total finance costs</b>                                    | <b>369.26</b>                                        | <b>302.04</b>                                      | <b>294.37</b>                                      |
| <b>27 Depreciation and amortisation expense as restated</b>   |                                                      |                                                    |                                                    |
| Depreciation of property, plant and equipment (refer note 10) | 306.03                                               | 165.47                                             | 166.12                                             |
| <b>Total depreciation and amortisation expense</b>            | <b>306.03</b>                                        | <b>165.47</b>                                      | <b>166.12</b>                                      |
| <b>28 Other expenses as restated</b>                          |                                                      |                                                    |                                                    |
| Freight charges                                               | 140.22                                               | 139.10                                             | 142.54                                             |
| Audit fees*                                                   | 17.10                                                | 1.50                                               | 0.25                                               |
| Business promotion                                            | 45.19                                                | 161.85                                             | 110.44                                             |
| Bank and other charges                                        | 40.72                                                | 0.71                                               | 8.98                                               |
| Legal and professional fees                                   | 213.45                                               | 45.47                                              | 45.22                                              |
| Capital loss on investment                                    | 0.14                                                 | -                                                  | -                                                  |
| CSR expenses                                                  | 10.50                                                | -                                                  | -                                                  |
| Electricity expenses                                          | 3.53                                                 | 6.15                                               | 1.67                                               |
| Interest & penalty                                            | 385.77                                               | 24.73                                              | 17.39                                              |
| Commission expense                                            | 3.73                                                 | 4.38                                               | -                                                  |
| Travelling and conveyance expense                             | 21.16                                                | 54.98                                              | 89.15                                              |
| Repair and maintenance - Others                               | 23.11                                                | 23.89                                              | 15.71                                              |
| Vehicle running and maintenance                               | 17.80                                                | 42.08                                              | 34.02                                              |
| Printing & Stationery                                         | 6.84                                                 | 15.52                                              | 11.20                                              |
| Office expense                                                | 39.65                                                | 46.80                                              | 47.67                                              |
| Communication costs                                           | 3.13                                                 | 11.24                                              | 11.41                                              |
| Non-operating expenses                                        | 0.23                                                 | 4.77                                               | -                                                  |
| Insurance expense                                             | 13.31                                                | 10.91                                              | 10.39                                              |
| Rent expense (Refer Note no 34)                               | 47.56                                                | 31.48                                              | 31.53                                              |
| Prior period expenses                                         | -                                                    | -                                                  | 0.21                                               |
| Security Services                                             | 40.91                                                | 28.99                                              | 19.09                                              |
| Technical Support Services                                    | 28.00                                                | -                                                  | -                                                  |
| Unrealised loss on mutual fund                                | 0.29                                                 | -                                                  | -                                                  |
| Rates and taxes                                               | 27.70                                                | 3.59                                               | 20.71                                              |
| Miscellaneous expenses                                        | 15.33                                                | 10.17                                              | 12.75                                              |
| <b>Total other expenses</b>                                   | <b>1,145.37</b>                                      | <b>668.31</b>                                      | <b>630.33</b>                                      |
| * Audit fees includes payment to auditor as:                  |                                                      |                                                    |                                                    |
|                                                               | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
| Statutory audit fees                                          | 16.60                                                | 0.25                                               | 0.25                                               |
| Other professional fee                                        | 0.50                                                 | 1.25                                               | 1.25                                               |
|                                                               | <b>17.10</b>                                         | <b>1.50</b>                                        | <b>1.50</b>                                        |

Matangi Rubber Limited (previously, Matangi Rubber Private Limited)

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Notes to consolidated financial statements as restated

(All amounts in INR lakhs, unless otherwise stated)

| 29 Earnings per share as restated                                                                      | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|--------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| The following reflects the profit and number of shares used in the basic and diluted EPS computations: |                                                      |                                                    |                                                    |
| Profit after minority interest and tax for calculation of basic and diluted EPS                        | 1,866.72                                             | 476.03                                             | 320.42                                             |
| Weighted average number of equity shares in calculating basic EPS (in numbers)                         | 3,039,462                                            | 2,688,737                                          | 2,024,697                                          |
| Weighted average number of equity shares in calculating diluted EPS (in numbers)                       | 3,039,462                                            | 2,688,737                                          | 2,024,697                                          |
| Nominal value of the equity share                                                                      | 10                                                   | 10                                                 | 10                                                 |
| <b>Basic EPS (in INR)</b>                                                                              | <b>61.42</b>                                         | <b>17.70</b>                                       | <b>15.83</b>                                       |
| <b>Diluted EPS (in INR)</b>                                                                            | <b>61.42</b>                                         | <b>17.70</b>                                       | <b>15.83</b>                                       |

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**30 Disclosure in respect of employee benefit plan as restated****a) Defined contribution plan**

The group makes contribution, determination as a special percentage of employee salaries towards provident fund ("PF") and employee state insurance scheme ("ESI") which are collectively defined as contribution plan. The group has no obligation other than to make the specified contribution. The contribution to be charge to statement of profit and loss as they accrued. The company is currently in the process of obtaining PF and ESI registration for its Chennai branch of Matangi Rubber Ltd. As a result, contributions for employees working at the Chennai branch of Matangi Rubber Ltd. have not yet been made.

**The amount recognised as expenses:**

| Description                                    | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| Contribution to provident fund (PF)            | 12.18                                                | 10.45                                              | 9.17                                               |
| Contribution to employee state insurance (ESI) | 3.50                                                 | 3.82                                               | 3.13                                               |

**b) Post-employment obligations - Gratuity plan**

The group provides gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous services for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

The following table summarizes the components of net benefit expense recognised in the statement of profit and loss account and amounts recognised in the balance sheet for the gratuity.

**Statement of profit and loss:**

| Net employee benefit expense recognised in employee cost | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|----------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| Current service cost                                     | 12.15                                                | 5.41                                               | 2.96                                               |
| Interest cost on benefit obligation                      | 2.38                                                 | 0.90                                               | 0.77                                               |
| Net actuarial (gain)/loss recognized in the year         | 3.43                                                 | 2.73                                               | -2.30                                              |
| <b>Net benefit expense</b>                               | <b>17.96</b>                                         | <b>9.04</b>                                        | <b>1.43</b>                                        |

**Balance sheet:**

| Benefit asset/(liability)                   | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|---------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Present value of defined benefit obligation | -49.46                               | -21.26                             | -12.22                             |
| Fair value of plan assets                   | -                                    | -                                  | -                                  |
| <b>Plan liability</b>                       | <b>-49.46</b>                        | <b>-21.26</b>                      | <b>-12.22</b>                      |

**Changes in the present value of the defined benefit obligation are as follows:**

|                                           | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|-------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Opening defined benefit obligation        | 32.89                                | 12.22                              | 10.79                              |
| Current service cost                      | 12.15                                | 5.41                               | 2.96                               |
| Interest cost                             | 2.38                                 | 0.90                               | 0.77                               |
| Benefits paid                             | -1.39                                | -                                  | -                                  |
| Actuarial losses on obligation            | 3.43                                 | 2.73                               | -2.30                              |
| <b>Closing defined benefit obligation</b> | <b>49.46</b>                         | <b>21.26</b>                       | <b>12.22</b>                       |

**The principal assumptions used in determining gratuity obligations for the group's plans are shown below:**

|                        | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Discount rate          | 6.93%-6.99%                          | 7.22%                              | 7.39%                              |
| Salary escalation rate | 5%-10%                               | 5.00%                              | 5.00%                              |
| Attrition rate         |                                      |                                    |                                    |
| - 18 to 30 years       | 5.00%                                | 5.00%                              | 5.00%                              |
| - 30 to 44 years       | 5.00%                                | 5.00%                              | 5.00%                              |
| - 44 to 60 years       | 5.00%                                | 5.00%                              | 5.00%                              |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**c) Leave Encashment**

The following table summarizes the components of net benefit expense recognised in the statement of profit and loss account and amounts recognised in the balance sheet for the leave encashment.

**Statement of profit and loss:**

| Net employee benefit expense recognised in employee cost | Consolidated for the<br>year ended<br>March 31, 2025 | Standalone for the<br>year ended<br>March 31, 2024 | Standalone for the<br>year ended<br>March 31, 2023 |
|----------------------------------------------------------|------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| Current service cost                                     | 4.69                                                 | -                                                  | 0.38                                               |
| Interest cost on benefit obligation                      | 0.83                                                 | -                                                  | 0.04                                               |
| Past Service cost                                        | 0.48                                                 | -0.62                                              | -                                                  |
| Net actuarial (gain)/loss recognized in the year         | -2.17                                                | -                                                  | -0.33                                              |
| <b>Net benefit expense</b>                               | <b>3.83</b>                                          | <b>-0.62</b>                                       | <b>0.09</b>                                        |

Matangi Rubber Limited (previously, Matangi Rubber Private Limited)

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Notes to consolidated financial statements as restated

(All amounts in INR lakhs, unless otherwise stated)

**Balance sheet:**

| Benefit asset/(liability)                   | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|---------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Present value of defined benefit obligation | -15.24                               | -                                  | -0.62                              |
| Fair value of plan assets                   | -                                    | -                                  | -                                  |
| <b>Plan liability</b>                       | <b>-15.24</b>                        | <b>-</b>                           | <b>-0.62</b>                       |

**Changes in the present value of the defined benefit obligation are as follows:**

|                                           | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|-------------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Opening defined benefit obligation        | 11.41                                | 0.62                               | 0.53                               |
| Current service cost                      | 4.69                                 | -                                  | 0.38                               |
| Interest cost                             | 0.83                                 | -                                  | 0.04                               |
| Past Service cost                         | 0.48                                 | -0.62                              | -                                  |
| Benefits paid                             | -                                    | -                                  | -                                  |
| Actuarial losses on obligation            | -2.17                                | -                                  | -0.33                              |
| <b>Closing defined benefit obligation</b> | <b>15.24</b>                         | <b>-</b>                           | <b>0.62</b>                        |

**The principal assumptions used in determining leave encashment obligations for the group's plans are shown below:**

|                        | Consolidated as at<br>March 31, 2025 | Standalone as at<br>March 31, 2024 | Standalone as at<br>March 31, 2023 |
|------------------------|--------------------------------------|------------------------------------|------------------------------------|
| Discount rate          | 6.93%-6.99%                          | NA                                 | 7.39%                              |
| Salary escalation rate | 5%-10%                               | NA                                 | 5.00%                              |
| Attrition rate         |                                      |                                    |                                    |
| - 18 to 30 years       | 5.00%                                | NA                                 | 5.00%                              |
| - 30 to 44 years       | 5.00%                                | NA                                 | 5.00%                              |
| - 44 to 60 years       | 5.00%                                | NA                                 | 5.00%                              |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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31 Segment information as restated

The group is engaged in a single business segment and operates in a single geographical segment. As such, there are no separate reportable segments as defined under Accounting Standard (AS) 17 – "Segment Reporting". Accordingly, segment information as per AS 17 is not applicable and hence not disclosed.

32 Trade receivable ageing as restated

Consolidated as at March 31, 2025

| Particulars                                             | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|---------------------------------------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                                                         | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) Undisputed trade receivables - considered good      | 466.44                                                     | 1,259.10           | 14.51           | 674.09    | -         | 547.18            | 2,961.32 |
| (ii) Undisputed trade receivables - considered doubtful | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iii) Disputed trade receivables considered good        | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed trade receivables considered doubtful     | -                                                          | -                  | -               | -         | -         | -                 | -        |

Standalone as at March 31, 2024

| Particulars                                             | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|---------------------------------------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                                                         | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) Undisputed trade receivables - considered good      | -                                                          | 1,352.00           | 1.41            | 221.04    | -         | 94.75             | 1,669.20 |
| (ii) Undisputed trade receivables - considered doubtful | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iii) Disputed trade receivables considered good        | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed trade receivables considered doubtful     | -                                                          | -                  | -               | -         | -         | -                 | -        |

Standalone as at March 31, 2023

| Particulars                                             | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|---------------------------------------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                                                         | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) Undisputed trade receivables - considered good      | -                                                          | 1,165.13           | 0.46            | 322.61    | -         | 95.52             | 1,583.72 |
| (ii) Undisputed trade receivables - considered doubtful | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iii) Disputed trade receivables considered good        | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed trade receivables considered doubtful     | -                                                          | -                  | -               | -         | -         | -                 | -        |

33 Trade payable ageing as restated

Consolidated as at March 31, 2025

| Particulars                 | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|-----------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                             | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) MSME                    | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (ii) Others                 | 244.58                                                     | 962.46             | 3.52            | 52.62     | -         | 22.67             | 1,285.85 |
| (iii) Disputed dues - MSME  | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -                                                          | -                  | -               | -         | -         | -                 | -        |

Standalone as at March 31, 2024

| Particulars                 | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|-----------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                             | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) MSME                    | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (ii) Others                 | -                                                          | 1,332.66           | 14.01           | 1.17      | -         | 105.00            | 1,452.84 |
| (iii) Disputed dues - MSME  | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -                                                          | -                  | -               | -         | -         | -                 | -        |

Standalone as at March 31, 2023

| Particulars                 | Outstanding for following periods from due date of payment |                    |                 |           |           |                   | Total    |
|-----------------------------|------------------------------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|----------|
|                             | Not due                                                    | Less than 6 months | 6 months-1 year | 1-2 Years | 2-3 years | More than 3 years |          |
| (i) MSME                    | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (ii) Others                 | -                                                          | 991.44             | 1.53            | 21.04     | -         | 84.53             | 1,098.54 |
| (iii) Disputed dues - MSME  | -                                                          | -                  | -               | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -                                                          | -                  | -               | -         | -         | -                 | -        |

34 Leases as restated

Operating lease : Company as lessee

The group has taken premises under operating lease. The lease rental charged during the year in the statement of profit and loss are as follows:

|                                    | Consolidated for the year ended | Standalone for the year ended | Standalone for the year ended |
|------------------------------------|---------------------------------|-------------------------------|-------------------------------|
|                                    | March 31, 2025                  | March 31, 2024                | March 31, 2023                |
| Lease for premises during the year | 47.56                           | 31.48                         | 31.53                         |
|                                    | 47.56                           | 31.48                         | 31.53                         |

35 Contingent liability and capital and other commitments as restated

|                         | Consolidated as at March 31, 2025 | Standalone as at March 31, 2024 | Standalone as at March 31, 2023 |
|-------------------------|-----------------------------------|---------------------------------|---------------------------------|
| Contingent liabilities* | 127.96                            | 22.24                           | 22.24                           |
|                         | 127.96                            | 22.24                           | 22.24                           |

\* Note :

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

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**Notes to consolidated financial statements as restated**

*(All amounts in INR lakhs, unless otherwise stated)*

1. Sales tax demand for FY 16-17 amounting Rs. 20.11 lakhs which is pending with the department
2. Sales tax demand for FY 17-18 amounting Rs. 2.14 lakhs which is pending with the department
3. GST demand for FY 19-20 amounting Rs. 101.09 lakhs which is pending with Central Appellate Authority
4. Interest and penalty with respect to Tax Deducted claims disputed by the Company relating to short payment and short deduction amounting Rs 4.63 lakhs is pending.

**36 Statement Of Corporate Social Responsibility as restated**

The applicability towards CSR has commenced from this financial year 2024-25 onwards and the company is taking required steps to comply with Corporate Social Responsibility (CSR) as provisions of Section 135 of the companies act, 2013

| Particulars                                                                                                                                                                             | Consolidated for the year ended March 31, 2025 | Standalone for the year ended March 31, 2024 | Standalone for the year ended March 31, 2023 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------------|----------------------------------------------|
| a) Amount required to be spent by the company during the year                                                                                                                           | 10.44                                          | NA                                           | NA                                           |
| b) Amount of expenditure incurred,                                                                                                                                                      | 10.50                                          | NA                                           | NA                                           |
| c) Shortfall at the end of the year,                                                                                                                                                    | -                                              | NA                                           | NA                                           |
| d) Total of previous years shortfall                                                                                                                                                    | NA                                             | NA                                           | NA                                           |
| e) Reason for shortfall                                                                                                                                                                 | NA                                             | NA                                           | NA                                           |
| f) Nature of CSR activities,                                                                                                                                                            | Environmental Sustainability                   | NA                                           | NA                                           |
| g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR                                                                    | No Related Party Involved                      | NA                                           | NA                                           |
| h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Nil                                            | NA                                           | NA                                           |

*(this space has been intentionally left blank)*



37 Related party disclosures as restated

| Sl. No | Name of Related Party                                 | Relation                                                      | Nature of Transaction                                    | Transaction during 2024-25 | Consolidated balance as at March 31,2025<br>Receivable/<br>(payable) | Transaction during 2023-24 | Standalone balance as at March 31,2024<br>Receivable/<br>(payable) | Transaction during 2022-23 | Standalone balance as at March 31,2023<br>Receivable/<br>(payable) |
|--------|-------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------|----------------------------|----------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------|
| 1      | Mohit Gupta                                           | Director                                                      | Directors Remuneration                                   | 93.00                      | -                                                                    | 93.00                      | -                                                                  | 93.00                      | -                                                                  |
|        |                                                       |                                                               | Expenses Made by Director on Company Behalf & reimbursed | 68.69                      | -                                                                    | 255.56                     | -                                                                  | 246.35                     | -                                                                  |
|        |                                                       |                                                               | Issue of Share Capital (Including Premium)               | 840.30                     | -                                                                    | -                          | -                                                                  | 113.55                     | -                                                                  |
|        |                                                       |                                                               | Loan given/Advance to directors                          | 666.50                     | 203.02                                                               | 139.43                     | 635.33                                                             | -                          | 455.95                                                             |
|        |                                                       |                                                               | Loan Recovered                                           | 1,323.27                   | -                                                                    | 9.54                       | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Interest from Loans & advances                           | 21.44                      | -                                                                    | 49.49                      | -                                                                  | 32.98                      | -                                                                  |
|        |                                                       |                                                               | Loan Received                                            | -                          | -                                                                    | 139.96                     | -95.95                                                             | 67.75                      | -67.75                                                             |
| 2      | Radhika Gupta                                         |                                                               | Loan repaid / Conversion of loan into equity             | 95.95                      | -                                                                    | 111.76                     | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Directors Remuneration                                   | 93.00                      | -                                                                    | 126.00                     | -15.71                                                             | 93.00                      | -                                                                  |
|        |                                                       |                                                               | Expenses Made by Director on Company Behalf & reimbursed | 17.50                      | -                                                                    | 43.68                      | -                                                                  | 42.36                      | -                                                                  |
|        |                                                       |                                                               | Loan received                                            | 17.24                      | -                                                                    | -                          | -0.73                                                              | 2.49                       | -0.73                                                              |
| 3      | Manju Gupta                                           |                                                               | Loan Repayment                                           | 17.97                      | -                                                                    | -                          | -                                                                  | 2.52                       | -                                                                  |
|        |                                                       |                                                               | Directors Remuneration                                   | 93.00                      | -                                                                    | 93.00                      | -                                                                  | 93.00                      | -                                                                  |
|        |                                                       |                                                               | Loan Given                                               | 684.36                     | 115.22                                                               | 423.88                     | 695.58                                                             | 324.19                     | 584.27                                                             |
|        |                                                       |                                                               | Loan Recovered                                           | 1,435.73                   | -                                                                    | 370.00                     | -                                                                  | 440.00                     | -                                                                  |
|        |                                                       |                                                               | Interest from Loans & advances                           | 55.79                      | -                                                                    | 57.43                      | -                                                                  | 68.50                      | -                                                                  |
|        |                                                       |                                                               | Expenses Made by Director on Company Behalf & reimbursed | 17.50                      | -                                                                    | 113.03                     | -                                                                  | 29.09                      | -                                                                  |
|        |                                                       |                                                               | Issue of Share Capital (Including Premium)               | 228.00                     | -                                                                    | -                          | -                                                                  | 200.00                     | -                                                                  |
| 4      | Murli Dhar Vyas                                       |                                                               | Directors Remuneration                                   | 12.00                      | -                                                                    | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       | Advance to employee                                           | 6.25                                                     | 6.25                       | -                                                                    | -                          | -                                                                  | -                          |                                                                    |
| 5      | Vijay Kumar Sharma<br>(Appointed on 19 December 2024) | Company Secretary                                             | Remuneration                                             | 5.81                       | -1.70                                                                | -                          | -                                                                  | -                          | -                                                                  |
| 6      | Alissa Nanak Sheth                                    | Director's Relative                                           | Loan Repayment                                           | 2.00                       | -118.74                                                              | -                          | -105.64                                                            | -                          | -105.64                                                            |
| 7      | Nanak Gunendra Sheth                                  |                                                               | Loan received                                            | -                          | -10.00                                                               | -                          | -                                                                  | -                          | -                                                                  |
| 8      | Moonriver Interiors LLP                               | Entities in which Director can exercise significant influence | Loan given                                               | 1315.52                    | 43.21                                                                | 4.39                       | 119.49                                                             | 2.00                       | 115.10                                                             |
| 9      | Qualimax Electronics Pvt Ltd                          |                                                               | Loan recovered                                           | 1434.76                    | -                                                                    | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Sales                                                    | -                          | -                                                                    | -                          | -                                                                  | 104.61                     | -                                                                  |
|        |                                                       |                                                               | Purchase                                                 | -                          | -                                                                    | -                          | -                                                                  | 29.67                      | -                                                                  |
|        |                                                       |                                                               | Sundry Debtors                                           | -                          | 166.14                                                               | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Loan Given                                               | 1.22                       | -                                                                    | 1.94                       | 19.98                                                              | 81.46                      | 18.04                                                              |
| 10     | Vikram Polymers Pvt. Ltd.                             |                                                               | Loan recovered                                           | 21.20                      | -                                                                    | -                          | -                                                                  | 294.53                     | -                                                                  |
|        |                                                       |                                                               | Loan received                                            | 4.71                       | -4.71                                                                | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Loan Given                                               | 8.76                       | 3.68                                                                 | 0.10                       | 1.20                                                               | 0.34                       | 1.10                                                               |
|        |                                                       |                                                               | Loan recovered                                           | 6.28                       | -                                                                    | -                          | -                                                                  | -                          | -                                                                  |
| 11     | Vandana Rubber and Chemicals Pvt Ltd                  |                                                               | Investment in unquoted shares                            | -                          | 4.15                                                                 | -                          | 4.15                                                               | -                          | 4.15                                                               |
|        |                                                       |                                                               | Loan received                                            | 0.88                       | -9.70                                                                | 737.25                     | -9.98                                                              | 1.89                       | -1.89                                                              |
|        |                                                       |                                                               | Loan Repayment                                           | 1.16                       | -                                                                    | 1.91                       | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Conversion of loan in Equity                             | -                          | -                                                                    | 727.25                     | -                                                                  | -                          | -                                                                  |
| 12     | Vantage Research Services Pvt. Ltd.                   |                                                               | Loan Given                                               | -                          | 22.00                                                                | -                          | -                                                                  | 5.32                       | -                                                                  |
|        |                                                       |                                                               | Loan recovered                                           | 3.00                       | -                                                                    | -                          | -                                                                  | 5.60                       | -                                                                  |
|        |                                                       |                                                               | Investment in unquoted shares                            | -                          | 1.88                                                                 | -                          | 1.88                                                               | -                          | 1.88                                                               |
|        |                                                       |                                                               | Loan received                                            | -                          | -220.91                                                              | 185.00                     | -211.41                                                            | -                          | -26.66                                                             |
| 13     | Punit Marketing Pvt Ltd.                              |                                                               | Loan Repayment                                           | -                          | -                                                                    | 0.25                       | -                                                                  | 0.33                       | -                                                                  |
|        |                                                       |                                                               | Investment in unquoted shares                            | -                          | 52.20                                                                | -                          | 52.20                                                              | -                          | 52.20                                                              |
|        |                                                       |                                                               | Loan received                                            | -                          | -134.04                                                              | 67.00                      | -31.41                                                             | -                          | -1.41                                                              |
|        |                                                       |                                                               | Loan Repayment                                           | -                          | -                                                                    | 37.00                      | -                                                                  | -                          | -                                                                  |
| 14     | Vantage Brands Pvt. Ltd.                              |                                                               | Loan Given                                               | -                          | 0.77                                                                 | 0.17                       | 0.77                                                               | 0.28                       | 0.60                                                               |
|        |                                                       |                                                               | Investment in unquoted shares                            | -                          | 1.71                                                                 | -                          | 1.71                                                               | -                          | 1.71                                                               |
|        |                                                       |                                                               | Loan Given                                               | -                          | 2.91                                                                 | 0.17                       | 0.91                                                               | 0.52                       | 0.74                                                               |
|        |                                                       |                                                               | Loan received                                            | -                          | 31.44                                                                | 0.17                       | 31.44                                                              | 0.27                       | 31.27                                                              |
| 15     | Moonriver Designs Pvt Ltd                             |                                                               | Loan repaid                                              | -                          | -77.46                                                               | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Loan Given                                               | -                          | 0.64                                                                 | -                          | 0.64                                                               | -                          | 0.64                                                               |
|        |                                                       |                                                               | Loan received                                            | -                          | -16.24                                                               | -                          | -                                                                  | -                          | -                                                                  |
|        |                                                       |                                                               | Loan Given                                               | -                          | 1.07                                                                 | 0.25                       | 1.07                                                               | 0.27                       | 0.82                                                               |

# Balances for FY 24-25 includes balances from subsidiaries which are not available in FY 23-24 balances being standalone figures

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**38 Notes On Reconciliation Of Restated Profits**

| Particulars                                                                 | Consolidated for the year ended March 31, 2025 | Standalone for the year ended March 31, 2024 | Standalone for the year ended March 31, 2023 |
|-----------------------------------------------------------------------------|------------------------------------------------|----------------------------------------------|----------------------------------------------|
| <b>Net Profit/(Loss) after Tax as per Audited Profit &amp; Loss Account</b> | 1,466.13                                       | 465.95                                       | 341.45                                       |
| <b>Adjustments for:</b>                                                     |                                                |                                              |                                              |
| 1. Expenses adjusted directly in Reserve & Surplus                          | -                                              | -10.30                                       | -                                            |
| 2. Error of omission in Non-Current investment                              | -                                              | -4.77                                        | 2.88                                         |
| 3. Depreciation                                                             | -                                              | 7.52                                         | -3.45                                        |
| 4. Adjustment for unpaid stamp duty on issue of equity shares               | -                                              | -0.84                                        | -0.31                                        |
| 5. Gratuity exp.                                                            | -                                              | -9.04                                        | -1.43                                        |
| 6. Expenses for Leave encashment                                            | -                                              | 0.62                                         | -0.09                                        |
| 7. Income tax demand                                                        | -                                              | -2.86                                        | -4.15                                        |
| 8. Interest and Penalty on EPF                                              | -                                              | -0.27                                        | -0.04                                        |
| 9. Bank Charges and Interest on Borrowings                                  | -                                              | 30.11                                        | -16.54                                       |
| 10. Prior period expenses                                                   | 431.78                                         |                                              |                                              |
| 11. Deferred tax expense                                                    | -                                              | -0.09                                        | 2.10                                         |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                             | <b>1,897.91</b>                                | <b>476.03</b>                                | <b>320.42</b>                                |

**Explanatory notes to the above restatements to profits made in the audited consolidated financial statements of the group for the respective years:**

- Expenses adjusted directly in Reserve & surplus - Interest on income tax directly transferred to Reserve & Surplus earlier, now recorded in Profit & Loss Account
- Omission of expenses - Expenses related to investment not recorded earlier
- Adjustment in Property, Plant & Equipments - Depreciation using WDV method and useful life as per Schedule II of Companies Act, 2013 now corrected.
- Unpaid stamp duty expenses - Recording of Stamp duty charges on issue of equity shares.
- Provision for Gratuity- Provision for gratuity expense based on Actuary valuation report.
- Provision for Leave encashment - Provision for compensated absences expense recognised based on Actuary valuation report
- Income tax demand expense - Undisputed Income tax demand not recorded earlier, now recognised.
- Interest & Penalty on EPF - Interest & penalty on EPF not recorded earlier, now recognised.
- Adjustment in bank charges & interest - Bank charges & interest recorded as per bank confirmation
- Prior Period Items - All the restated adjustment pertaining prior to financial year 2024-25 recorded as Prior Period item, now recorded in their respective years
- Provision for Deferred Tax - Change is due to consideration of the points above

**39 Notes On Reconciliation Of Restated Net-Worth**

| Particulars                                                    | Consolidated as at March 31, 2025 | Standalone as at March 31, 2024 | Standalone as at March 31, 2023 |
|----------------------------------------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| <b>Networth as audited (a)</b>                                 | 9,252.93                          | 5,049.69                        | 3,755.05                        |
| <b>Adjustments for:</b>                                        |                                   |                                 |                                 |
| <b>Opening Balance of Adjustments</b>                          |                                   |                                 |                                 |
| 1. Write off of Investment in unquoted shares                  | -                                 | -48.84                          | -48.84                          |
| 2. Balance adjustment of AIF fund                              | -                                 | -9.25                           | -9.25                           |
| 3. Adjustment in Property, Plant & Equipments                  | -                                 | 95.01                           | 95.01                           |
| 4. Adjustment for stamp duty payable on issue of equity shares | -                                 | -0.20                           | -0.20                           |
| 5. Gratuity                                                    | -                                 | -10.79                          | -10.79                          |
| 6. Leave encashment                                            | -                                 | -0.53                           | -0.53                           |
| 7. Adjustment in sundry debtor balances                        | -                                 | -365.32                         | -365.32                         |
| 8. Income tax demand of earlier years                          | -                                 | -53.00                          | -53.00                          |
| 9. Adjustment in interest & penalty                            | -                                 | -4.08                           | -4.08                           |
| 10. Adjustment in bank charges & interest                      | -                                 | -13.57                          | -13.57                          |
| 11. Deferred Tax for earlier years                             | -                                 | -20.56                          | -20.56                          |
| <b>Total (i)</b>                                               | <b>-</b>                          | <b>-431.13</b>                  | <b>-431.13</b>                  |
| Change in Profit pertaining to FY 22-23 (ii)                   | -                                 | -21.03                          | -21.03                          |
| Change in Profit pertaining to FY 23-24 (iii)                  | -                                 | 10.08                           | -                               |
| Expenses adjusted directly in Reserve & Surplus (iv)           | -                                 | 10.30                           | -                               |
| <b>Closing Balance of Adjustments (b = i+ii+iii+iv)</b>        | <b>-</b>                          | <b>-431.78</b>                  | <b>-452.16</b>                  |
| <b>Networth as restated (a+b)</b>                              | <b>9,252.93</b>                   | <b>4,617.91</b>                 | <b>3,302.89</b>                 |

**Explanatory notes to the above restatements to networth made in the audited consolidated financial statements of the group for the respective years:**

- Write off of investment in unquoted shares - Investment for which details are not available.
- Adjustment AIF Investment - Recording of deduction of expenses from units balance, to restate overvalued investment.
- Adjustment in Property, Plant & Equipments - Depreciation using WDV method and useful life as per Schedule II of Companies Act, 2013 now corrected.
- Unpaid stamp duty expenses payable - Recording of Stamp duty charges on issue of equity shares.
- Provision for Gratuity- Provision for gratuity expense based on Actuary valuation report.
- Provision for Leave encashment - Provision for compensated absences expense recognised based on Actuary valuation report
- Adjustment in Sundry Debtor - Adjustment on balance reconciliation with debtors
- Income tax demand - Undisputed Income tax demand not recorded earlier, now recognised.
- Interest & Penalty on EPF - Interest & penalty on EPF not recorded earlier, now recognised.
- Adjustment in bank charges & interest - Bank charges & interest recorded as per bank confirmation
- Provision for Deferred Tax - Effect due to recording of above adjustments

Notes to consolidated financial statements as restated

(All amounts in INR lakhs, unless otherwise stated)

40 Statement Of Net Assets And Profit/(Loss) Attributable To Owners And Minority Interest as restated

(as per para 2 of general instructions for the preparation of consolidated financial statements to Division I of Schedule III of Companies Act, 2013)

| Particulars                             | For the Period ended March 31, 2025                    |                 |                                     |                 |
|-----------------------------------------|--------------------------------------------------------|-----------------|-------------------------------------|-----------------|
|                                         | Net Assets, i.e., total assets minus total liabilities |                 | Share in profit or loss             |                 |
|                                         | As % of consolidated net assets                        | Amount          | As % of consolidated profit or loss | Amount          |
| <b>I. Parent</b>                        |                                                        |                 |                                     |                 |
| Matangi Rubber Ltd.                     |                                                        |                 |                                     |                 |
| a. Equity Share Holders                 | 97.20%                                                 | 9,022.83        | 87.68%                              | 1,636.62        |
| <b>II. Subsidiaries</b>                 |                                                        |                 |                                     |                 |
| <b>i) Indian</b>                        |                                                        |                 |                                     |                 |
| - M.G. Industries Ltd.                  | 2.48%                                                  | 230.17          | 14.00%                              | 261.39          |
| - Fresca Recycling Technologies Pvt Ltd | 0.00%                                                  | -0.07           | -0.01%                              | -0.10           |
| <b>III. Minority Interest</b>           | 0.32%                                                  | 29.75           | -1.67%                              | -31.19          |
| <b>Total</b>                            | <b>100.00%</b>                                         | <b>9,282.68</b> | <b>100.00%</b>                      | <b>1,866.72</b> |

41 Details of Accounting Ratios as restated

| Particulars                                                                             | Note        | Consolidated for the year ended March 31, 2025 | Standalone for the year ended March 31, 2024 | Standalone for the year ended March 31, 2023 |
|-----------------------------------------------------------------------------------------|-------------|------------------------------------------------|----------------------------------------------|----------------------------------------------|
| Restated Profit after minority interest and tax as per Profit & Loss Statement (A)      |             | 1,866.72                                       | 476.03                                       | 320.42                                       |
| Less: Extra-Ordinary Items                                                              |             | -                                              | -                                            | -11.04                                       |
| Restated Profit excluding extra-ordinary items and after minority interest and tax (A1) |             | 1,866.72                                       | 476.03                                       | 309.38                                       |
| Tax Expense (B)                                                                         |             | 619.56                                         | 186.09                                       | 137.62                                       |
| Depreciation and amortization expense (C)                                               |             | 306.03                                         | 165.47                                       | 166.12                                       |
| Interest Cost (D)                                                                       |             | 369.26                                         | 302.04                                       | 294.37                                       |
| Weighted Average Number of Shares at the end of the Year (E)                            |             | 30.39                                          | 26.89                                        | 20.25                                        |
| Number of Shares outstanding at the end of the Year (F)                                 |             | 34.30                                          | 27.20                                        | 21.96                                        |
| Nominal Value per share (₹) (G)                                                         |             | 10.00                                          | 10.00                                        | 10.00                                        |
| Restated Net Worth (H)                                                                  |             | 9,252.93                                       | 4,617.91                                     | 3,302.89                                     |
| Current Assets (I)                                                                      |             | 9,934.19                                       | 8,115.26                                     | 5,758.46                                     |
| Current Liabilities (J)                                                                 |             | 9,102.39                                       | 4,037.44                                     | 2,989.93                                     |
| Share of profit of minority interest (K)                                                |             | 31.19                                          | -                                            | -                                            |
| <b>Earnings Per Share (including extra-ordinary items (₹))</b>                          |             |                                                |                                              |                                              |
| - Basic/Diluted                                                                         | (A/E)       | 61.42                                          | 17.70                                        | 15.83                                        |
| <b>Earnings Per Share (excluding extra-ordinary items (₹))</b>                          |             |                                                |                                              |                                              |
| - Basic/Diluted                                                                         | (A1/E)      | 61.42                                          | 17.70                                        | 15.28                                        |
| <b>Return on Net Worth (%)</b>                                                          | (A/H)       | 20.17%                                         | 10.31%                                       | 9.70%                                        |
| <b>Net Asset Value Per Share (₹)</b>                                                    | (H/F)       | 269.80                                         | 169.76                                       | 150.40                                       |
| <b>Current Ratio</b>                                                                    | (I/J)       | 1.09                                           | 2.01                                         | 1.93                                         |
| <b>Earning before Interest, Tax and Depreciation and Amortization (EBITDA)</b>          | (A+B+C+D+K) | 3,192.76                                       | 1,129.63                                     | 918.53                                       |

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**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

CIN: U74999DL2004PLC127108

**Notes to consolidated financial statements as restated**
*(All amounts in INR lakhs, unless otherwise stated)*

| 42 Expenditure in foreign currency (accrual basis) as restated | Consolidated for the year ended | Standalone for the year ended | Standalone for the year ended |
|----------------------------------------------------------------|---------------------------------|-------------------------------|-------------------------------|
|                                                                | March 31, 2025                  | March 31, 2024                | March 31, 2023                |
| Purchase of raw material                                       | 296.18                          | 184.49                        | -                             |
| Purchase of capital goods                                      | -                               | 59.47                         | -                             |
| Tour & Travelling                                              | -                               | 17.75                         | 32.89                         |
| Professional & consultancy fees                                | -                               | 8.45                          | 4.25                          |
|                                                                | <b>296.18</b>                   | <b>270.16</b>                 | <b>37.14</b>                  |

| 43 Value of imports calculated on CIF basis as restated | Consolidated for the year ended | Standalone for the year ended | Standalone for the year ended |
|---------------------------------------------------------|---------------------------------|-------------------------------|-------------------------------|
|                                                         | March 31, 2025                  | March 31, 2024                | March 31, 2023                |
| Purchase of raw material                                | 296.18                          | 184.49                        | -                             |
| Purchase of capital goods                               | -                               | 59.47                         | -                             |
|                                                         | <b>296.18</b>                   | <b>243.96</b>                 | <b>-</b>                      |

| 44 Raw Materials Consumed as restated                                     | Consolidated for the year ended | Standalone for the year ended | Standalone for the year ended |
|---------------------------------------------------------------------------|---------------------------------|-------------------------------|-------------------------------|
|                                                                           | March 31, 2025                  | March 31, 2024                | March 31, 2023                |
| - Indigenous                                                              | 4,133.04                        | 5,494.60                      | 5,866.68                      |
| - Imported                                                                | 296.18                          | 184.49                        | -                             |
| % of imported Raw material consumed out of total raw material consumption | 6.69%                           | 3.25%                         | 0.00%                         |

**45 Disclosures under Micro, Small and Medium Enterprises Act, 2006 as restated**

The group has not received any information from suppliers regarding their status as Micro, Small, or Medium Enterprises (MSMEs) as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, the required information as per Schedule III, Division I, of the Companies Act, 2013, is not provided in these restated consolidated statements.

**46 In the opinion of the Board, the Current Assets, Loan & Advances shown in the restated balance sheet have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the restated balance sheet and provision for all known and determined liabilities is adequate.**
**47 Additional regulatory information required by Schedule III of Companies Act, 2013**

- The group does not have any immovable property (other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the group.
- The group has not revalued its Property, Plant and Equipment during the reporting years.
- The group does not have any Benami property and no proceedings have been initiated or pending against the group for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Management is of the opinion that as at the Balance Sheet date, there are no indications of a material impairment in the value of property, plant & equipments and investments. Hence, the need to provide for an impairment loss does not arise.
- Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment

| Particular         | Consolidated amount of loan/ advance o/s as at March 31, 2025 | Percentage to the total loans and advances in the nature of loans |
|--------------------|---------------------------------------------------------------|-------------------------------------------------------------------|
| a. Promoters       | -                                                             | -                                                                 |
| b. Directors       | 324.49                                                        | 71.69%                                                            |
| c. KMPs            | -                                                             | -                                                                 |
| d. Related Parties | 105.72                                                        | 23.36%                                                            |

| Particular         | Standalone amount of loan/ advance o/s as at March 31, 2024 | Percentage to the total loans and advances in the nature of loans |
|--------------------|-------------------------------------------------------------|-------------------------------------------------------------------|
| a. Promoters       | -                                                           | -                                                                 |
| b. Directors       | 1,330.91                                                    | 87.51%                                                            |
| c. KMPs            | -                                                           | -                                                                 |
| d. Related Parties | 175.50                                                      | 11.54%                                                            |

| Particular         | Standalone amount of loan/ advance o/s as at March 31, 2023 | Percentage to the total loans and advances in the nature of loans |
|--------------------|-------------------------------------------------------------|-------------------------------------------------------------------|
| a. Promoters       | -                                                           | -                                                                 |
| b. Directors       | 1,040.22                                                    | 85.58%                                                            |
| c. KMPs            | -                                                           | -                                                                 |
| d. Related Parties | 168.31                                                      | 13.85%                                                            |

**Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

CIN: U74999DL2004PLC127108

**Notes to consolidated financial statements as restated**

(All amounts in INR lakhs, unless otherwise stated)

- f) There are some charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period which are as follows:

| Particulars                                                                                       | Period by which charge had to be registered/satisfied | Location of registrar | Reason for delay                                  |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------|---------------------------------------------------|
| <b>Charges not registered</b>                                                                     |                                                       |                       |                                                   |
| Citi Corp Finance (India)Ltd - Vehicle Loan of ₹ 29.60 Lakhs secured against hypothecation of Car | within 30 days of sanctioning loan                    | Delhi                 | It was inadvertently missed from being registered |
| ICICI BANK LTD - Vehicle Loan of ₹ 78.83 Lakhs secured against hypothecation of Car               | within 30 days of sanctioning loan                    | Delhi                 | It was inadvertently missed from being registered |

- g) The group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- h) The group has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s) with the understanding that the Intermediary shall:  
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries); or
- i) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:  
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- j) The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- k) The group has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- l) The group has complied with the provisions of clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- m) The group does not have any transaction with the struck off companies for the year ended March 31, 2025, March 31, 2024 & March 31, 2023.
- n) The group is using an accounting software for maintaining its books of accounts which has a feature of recording trail (edit log) facility. The same was not operating effectively throughout the year.
- o) Closing Stock has been taken, valued and certified by the Directors.

**48 Government grant - Investment promotion assistance**

MG industries Ltd has been sanctioned investment promotion assistance of Rs 240.80 Lakhs under the MP MSME Protsahan Yojana 2021 by the Department of Industries, Government of Madhya Pradesh. The assistance relates to investment made in plant and machinery and buildings and is receivable over a period of 7 years. In accordance with Accounting Standard (AS) 12 – Accounting for Government Grants, the grant has been recognized as a receivable and is being accounted for as deferred income. The grant is amortized in the Statement of Profit and Loss on a straight-line basis over the useful life of the related assets, which is estimated to be 15 years amounting Rs. 16.05 lakhs each year.

O/s balance of government grant receivable - Rs. 206.40 lakhs - (Current - Rs. 34.40 lakhs , Non-current - Rs. 172 lakhs)

O/s deferred govt. grant income - Rs. 207.36 lakhs - (Current - Rs. 16.05 lakhs , Non-Current - Rs. 191.31 lakhs)

**49 Previous year's figures**

Previous year figures have been rearranged/ regrouped/ reclassified wherever necessary.

**50 Capitalisation Statement as at March 31, 2025**

| Particulars                                      | Pre Issue       | Post Issue |
|--------------------------------------------------|-----------------|------------|
| <b>Borrowings</b>                                |                 |            |
| Short term debt (A)                              | 6,810.70        | -          |
| Long Term Debt (B)                               | 2,375.54        | -          |
| <b>Total debts (C)</b>                           | <b>9,186.24</b> | <b>-</b>   |
| <b>Shareholders' funds</b>                       |                 |            |
| Share capital                                    | 342.96          | -          |
| Reserve and surplus - as Restated                | 8,909.97        | -          |
| <b>Total shareholders' funds (D)</b>             | <b>9,252.93</b> | <b>-</b>   |
| <b>Long term debt / shareholders funds (B/D)</b> | <b>0.26</b>     | <b>-</b>   |
| <b>Total debt / shareholders funds (C/D)</b>     | <b>0.99</b>     | <b>-</b>   |

**51 Extraordinary items**

Company has received insurance claim amounting Rs. 11.04 lakhs from insurance provider for the loss caused by the fire.

**52 Event Occurring After The Balance Sheet Date**

Subsequent to audited financial date, Matangi Rubber Limited has issued two bonus shares for each share held as on July 25, 2025, which is classified as a non-adjusting event.

As per our report of even date

**For Ashwani & Associates**

ICAI Firm Registration No.: 000497N

Chartered Accountants

Sd/-

**Sanjeeva Narayan**

Partner

Membership No.: 084205

Place: New Delhi

Date: July 28, 2025

**For and on behalf of the Board of Directors of****Matangi Rubber Limited (previously, Matangi Rubber Private Limited)**

Sd/-

**Mohit Gupta**

Managing Director

DIN: 00103720

Sd/-

**Sunil Kumar Gupta**

Chief Financial Officer

Sd/-

**Manju Gupta**

Director

DIN: 00124974

Sd/-

**Vijay Kumar Sharma**

Company Secretary

M No. A17929

## OTHER FINANCIAL INFORMATION

(₹ in Lakhs)

| Particulars                          | Consolidated | Standalone  | Standalone  |
|--------------------------------------|--------------|-------------|-------------|
|                                      | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| Basic EPS (₹)                        | 61.42        | 17.70       | 15.83       |
| Diluted EPS (₹)                      | 61.42        | 17.70       | 15.83       |
| Return on Net Worth                  | 20.51%       | 10.31%      | 9.70%       |
| Net Asset Value per Equity Share (₹) | 269.80       | 169.76      | 150.40      |
| EBITDA (₹ in lakhs)                  | 2,854.02     | 1,014.98    | 798.16      |

1. EPS is calculated as Profit after tax divided by weighted average no. of equity shares outstanding during the year/ period
2. Return on net worth is calculated as profit after tax as percent of net worth.
3. NAV per Equity Share (in ₹) is computed as net worth at the end of the period/ year divided by weighted average number of equity shares outstanding at the end of the period/ year.
4. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is calculated as sum of Profit Before Tax, Finance Cost & Depreciation and Amortization excluding Other Income.

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## **RELATED PARTY TRANSACTION**

For details of the related party transactions, as per the requirements under applicable Accounting Standards, on Related Party Disclosures, read with the SEBI ICDR Regulations for the period ended March 31, 2025, March 31, 2024 and March 31, 2023 and as reported in the Restated Financial Statement, see “Restated Financial Statement – Notes forming part of the Restated Financial Statement Note 37 Related Party Disclosures” on page 238

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## CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as on March 31, 2025 on the basis of the Restated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 31, 238 and 272 respectively.

Statement of Capitalization as on March 31, 2025:

| (₹ in Lakhs, except ratios)                           |                 |            |
|-------------------------------------------------------|-----------------|------------|
| Particulars                                           | Pre Issue       | Post Issue |
| <b><u>Borrowings</u></b>                              |                 |            |
| Short- term                                           | 6,810.70        | [•]        |
| Long- term (A)                                        | 2,375.54        | [•]        |
| <b>Total Borrowings (B)</b>                           | <b>9,186.24</b> | <b>[•]</b> |
| <b><u>Shareholder's fund</u></b>                      |                 |            |
| Equity Share capital                                  | 342.96          | [•]        |
| Reserve and Surplus, as restated                      | 8,909.97        | [•]        |
| <b>Total Shareholder's fund (C)</b>                   | <b>9,252.93</b> | <b>[•]</b> |
| <b>Long- term borrowings / equity ratio {(A)/(C)}</b> | <b>0.26</b>     | <b>[•]</b> |
| <b>Total borrowings / equity ratio {(B)/(C)}</b>      | <b>0.99</b>     | <b>[•]</b> |

*As certified by Ashwani & Associates, Chartered Accountants, pursuant to their certificate dated August 29, 2025*

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## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in “Restated Financial Statements” beginning on page 238 of this Draft Red Herring Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in “Risk Factors” and “Forward-Looking Statements” beginning on pages 31 and 19 respectively, of this Draft Red Herring Prospectus

### Business Overview

We are engaged in the business of manufacturing of tyre-flaps, tubes & rubber compound. These tyre flaps & tubes mainly find their use in commercial vehicles like trucks, buses, and heavy utility vehicles. Whereas, rubber compound is used in manufacturing of other rubber materials. We have in total five manufacturing plants out of which two plants are located at Selaqui (Dehradun, Uttarakhand), two plants at Bhind (Gwalior, Madhya Pradesh) and one plant at Gummidipoondi (Chennai, Tamil Nadu).

### Business Model:

**Contract Manufacturing:** Contract manufacturing also referred to as outsourcing or third-party manufacturing is a business arrangement in which one company (the client) engages another company (the contract manufacturer) to produce goods on its behalf. As a contract manufacturer, we specialize in the production of tyre flaps. Utilizing raw materials procured specifically for this purpose and employing our in-house manufacturing capabilities, we produce tyre flaps customized with the client’s logo. These finished products are then sold to the respective customers.

**Job Work Service:** A business model in which a principal company outsources a specific segment of its manufacturing process to an external manufacturing company. In our case, the production of tyre flaps & tubes to a third-party service provider. Under this arrangement, we perform the designated processing or conversion work on behalf of the principal company. Wherein, the raw materials are provided by the principal company and we are only responsible for converting such raw material into tyre-flaps or tubes, using our manufacturing facilities for which we receive conversion charges based on the agreed terms from the principal company.

For more details, refer “Our Business” on page no 172

### Key Performance Indicators

(All amount in ₹ lakhs unless otherwise stated)

| Particulars  | Consolidated | Standalone  | Standalone  |
|--------------|--------------|-------------|-------------|
|              | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| Total Income | 10,475.75    | 9,126.51    | 8,645.08    |
| EBITDA       | 2,854.02     | 1,014.98    | 798.16      |
| EBIT         | 2,886.73     | 964.16      | 752.41      |

| Particulars                | Consolidated | Standalone  | Standalone  |
|----------------------------|--------------|-------------|-------------|
|                            | Fiscal 2025  | Fiscal 2024 | Fiscal 2023 |
| EBT                        | 2,517.47     | 662.12      | 458.04      |
| PAT                        | 1,897.91     | 476.03      | 320.42      |
| EBITDA Margin              | 28.15%       | 11.26%      | 9.35%       |
| EBIT Margin                | 27.56%       | 10.56%      | 8.70%       |
| EBT Margin                 | 24.03%       | 7.25%       | 5.30%       |
| PAT Margin                 | 18.12%       | 5.22%       | 3.71%       |
| Return on Equity           | 20.51%       | 10.31%      | 9.70%       |
| Return on Capital Employed | 15.63%       | 8.84%       | 11.85%      |

1. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) is calculated as sum of Profit Before Tax, Finance Cost & Depreciation and Amortization excluding Other Income
2. EBIT (Earning Before Interest & Tax) is calculated as EBITDA Add Other Income less Depreciation
3. EBT (Earning Before Tax) is calculated as EBIT less Finance Cost
4. PAT (Profit After Tax) is calculated as EBT less Tax
5. EBITDA Margin is calculated as EBITDA divided by Revenue from operation
6. EBIT Margin is calculated as EBIT divided by Total Income
7. EBT Margin is calculated as EBT divided by Total Income
8. PAT Margin is calculated as PAT divided by Total Income
9. RoE (Return on Equity) is calculated as PAT divided by Net worth
10. RoCE (Return on Capital Employed) is calculated as EBIT divided by Capital Employed

#### Explanation for Key Performance Indicators

| KPI                     | Explanation                                                                                                                                                             |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue from Operations | Revenue from operations refers to revenue from sales of products, sale of services and other operating income.                                                          |
| Total Revenue           | Total Revenue refers to Revenue from operations plus Other Income.                                                                                                      |
| EBITDA                  | EBITDA is an alternative way to calculate profitability that focuses on a company's ability to generate cash from its regular operations.                               |
| EBIT                    | Measures a company's net income before income tax and interest expenses are deducted.                                                                                   |
| EBT                     | Measures a company's net income before income tax.                                                                                                                      |
| PAT                     | Profit for the year after tax that are available to shareholders.                                                                                                       |
| EBITDA Margin           | EBITDA Margin is an indicator to measure efficiency of generating core profitability of company.                                                                        |
| EBIT Margin             | EBIT Margin is an indicator use to measure the efficiency of company to generate operating profits.                                                                     |
| EBT Margin              | EBT Margin used as indicator to calculate profitability before tax as percent of Total Revenue.                                                                         |
| PAT Margin              | PAT Margin used as measure of calculation profit available to shareholders as percent of Total Revenue.                                                                 |
| RoE                     | RoE measure the ability to gauge how much shareholders are earning on their investments. It exhibits how well the company has utilised the shareholder's money.         |
| RoCE                    | RoCE indicates how efficiently capital is being used in the business. It provides the ability of the company to generate the returns against the capital it put to use. |

#### Basis of Preparation Restated Consolidated Financial Statement

Restated consolidated statement of assets and liabilities of the group as at March 31, 2025, March 31, 2024 and March 31, 2023 and the related restated consolidated statement of profits and loss and cash flows for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 (herein collectively referred to as ("Restated Consolidated Statements")) have been compiled by the management from the audited Consolidated Financial Statements of the group for the year ended on March 31, 2025 and audited Standalone Financial Statements of the Company for the year ended on March 31, 2024 and March 31, 2023 approved by the Board of Directors of the Company. Restated Consolidated Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies

Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised 2019) (“Guidance Note”). Restated Consolidated Statements have been prepared specifically for inclusion in the issue document to be filed by the Company with the BSE in connection with its proposed SME IPO. The Company’s management has recast the consolidated financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated consolidated statements.

Restated consolidated statements of the group have been prepared in accordance with the generally accepted accounting principles in India (“Indian GAAP”) to comply with the Accounting Standards as specified under section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. Restated consolidated statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the restated consolidated statements are consistent with those followed in the previous year, except where otherwise stated in the relevant section.

Restated consolidated statements of group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 21 – “Consolidated Financial Statements” notified by Companies (Accounting Standards) Rules, 2021.

Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the restated consolidated Balance Sheet separately from liabilities and equity of the Company’s shareholders.

**Minority interest in the net assets of consolidated subsidiaries consists of:**

1. The amount of equity attributable to minority at the date on which investment in a subsidiary is made.
2. The minority share of movements in equity since the date the parent subsidiary relationship came into existence. Minority’s share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit after tax of the Group.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

Appropriate regroupings have been made in the Restated Consolidated Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited consolidated financial statements of the group, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**Significant Accounting Policies:**

**1. Use of estimates:**

The preparation of restated consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

## **2. Property, Plant and Equipment & Intangible assets:**

Property, Plant and Equipment & Intangible assets (including Capital work in progress) Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Property, plant and equipment that is purchased in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Subsequent expenditure if any, is capitalized if it increases the future economic benefits. All other repair and maintenance costs are recognized in profit or loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

## **3. Depreciation on Property, Plant and Equipment**

Depreciation on property, plant and equipment of Matangi Rubber Limited is calculated on a written down value method using the rates arrived at based on the useful lives estimated by the management whereas subsidiary (M.G. Industries Ltd) has calculated using straight line method. The group has used the following rates to provide depreciation on its property, plant and equipment.(Also refer note 10)

Categories: Useful Life (In Years): Building 30 Plant and Machinery 8-15 Furniture and Fixtures 7-10 Motor Vehicles 8 Office equipments 5 Electrical Installations and Equipments 10 Computer and computer equipment 3

## **4. Inventory**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

## **5. Leases Company as a lessee Operating Lease**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Finance Lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life of the assets. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term.

## 6. Impairment of assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

## 7. Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Capitalization of borrowing costs commences when expenditures necessary to prepare the asset for its intended use or sale are qualifying asset for its intended use or sale are complete.

Exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs are treated as part of borrowing costs and capitalized to the asset. Other exchange differences are expensed as per the requirements of AS 11 – The Effects of Changes in Foreign Exchange Rates.

## 8. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

## 9. Foreign currency translation

**Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion:** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**Exchange differences:** Exchange differences arising on the settlement of monetary items or on reporting group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## 10. Retirement and other employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with the notified Accounting Standard 15, 'Employee Benefits (Revised 2005)' ('Revised AS 15').

**Defined Contribution Plan:** PF & ESI benefit is a defined contribution plan under which the group pays fixed contributions into funds established under relevant laws. The group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as and when they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

**Gratuity:** Gratuity is a post-employment defined benefit plan. The liability recognised in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually

by actuaries using the projected unit credit method. Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are recorded as expense or income in the statement of profit and loss in the year in which such gains or losses arise. Gratuity liability is not funded through any external trust.

**Earned leave:** The group also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as a long term benefit. The compensated absences comprise of vesting as well as non-vesting benefit and the liability is determined in accordance with actuarial valuation.

**Other short term benefits:** Expenses relating to other short term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employee.

## **11. Taxation**

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115JB of the Income-tax Act, 1961. Deferred income-tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **12. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **13. Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## **14. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the restated consolidated statements.

## **15. Cash and bank balances**

Cash and cash equivalents comprise cash and current deposits with banks. The group considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. All deposits having a maturity period of more than 3 months and less than 12 months are taken in Other Bank Balances.

## 16. Cash Flow Statement

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

## 17. Investments

Investments, which are readily realizable or intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are valued at lower of cost or net realizable value whereas non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

## 18. Event Occurring After the Balance Sheet Date

Assets and Liabilities are adjusted for events occurring after the Balance Sheet date that provide additional evidence to assist the estimation of amounts relating to condition existing at the Balance sheet date.

## 19. Net Profit/Loss for the Prior Period, Prior Period Items and Changes In Accounting Policies

Significant items of Extra-Ordinary Items, and Prior Period Incomes and Expenditures, are accounted in accordance with Accounting Standards 5.

## 20. Government grants

Government grants have been recognised in the restated consolidated statements where there is reasonable assurance that the group will comply with the conditions attached thereto and there is reasonable certainty on its ultimate collection. Government grants related to depreciable fixed assets are treated as deferred income and are recognised in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the related assets. Unamortised balance of grant, to the extent not adjusted, is presented as “Deferred Government Grant Income” under Other long term liabilities.

## Results of Operations

### Total Income

Our total income consists of (i) Revenue from Operations & (ii) Other Income as given below. Our total income for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹10,475.75 lakhs, ₹9,126.51 lakhs ₹8,645.08 lakhs respectively.

| Particulars             | Consolidated     |                   | Standalone      |                   | Standalone      |                   |
|-------------------------|------------------|-------------------|-----------------|-------------------|-----------------|-------------------|
|                         | Fiscal 2025      | % of Total Income | Fiscal 2024     | % of Total Income | Fiscal 2023     | % of Total Income |
| Revenue from Operations | 10,137.01        | 96.77%            | 9,011.86        | 98.74%            | 8,535.75        | 98.74%            |
| Other Income            | 338.74           | 3.23%             | 114.65          | 1.26%             | 109.33          | 1.26%             |
| <b>Total Income</b>     | <b>10,475.75</b> | <b>100.00%</b>    | <b>9,126.51</b> | <b>100.00%</b>    | <b>8,645.08</b> | <b>100.00%</b>    |

### Revenue from operations

Revenue from operations comprises of Revenue from (i) Sale of manufactured goods, (ii) Sale of traded goods, (iii) Sale of Scrap and (iv) Sale of services. Our revenue from operations for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹10,137.01 lakhs, ₹9,011.86 lakhs and ₹8,535.75 lakhs respectively.



Revenue from Sale of manufactured goods for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹8,785.42 lakhs, ₹8,033.28 lakhs and ₹8,223.02 lakhs respectively.

Revenue from sale of traded goods for fiscal 2025 and fiscal 2024 was reported at ₹12.01 lakhs and ₹538.54 s respectively.

Revenue from Sale of Scrap for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹151.00 lakhs, ₹162.58 lakhs and ₹70.60 lakhs respectively.

Revenue from Sale of Services for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹1,188.58 lakhs, ₹277.46 lakhs and ₹242.13 lakhs respectively.

(₹ in Lakhs)

| Particulars                    | Consolidated     |                              | Standalone      |                              | Standalone      |                              |
|--------------------------------|------------------|------------------------------|-----------------|------------------------------|-----------------|------------------------------|
|                                | Fiscal 2025      | % of Revenue from Operations | Fiscal 2024     | % of Revenue from Operations | Fiscal 2023     | % of Revenue from Operations |
| Sale of Manufactured Goods     | 8,785.42         | 86.67%                       | 8,033.28        | 89.14%                       | 8,223.02        | 96.34%                       |
| Sale of Traded Goods           | 12.01            | 0.12%                        | 538.54          | 5.98%                        | -               | 0.00%                        |
| Sale of Scrap                  | 151.00           | 1.49%                        | 162.58          | 1.80%                        | 70.60           | 0.83%                        |
| Sale of Services               | 1,188.58         | 11.73%                       | 277.46          | 3.08%                        | 242.13          | 2.84%                        |
| <b>Revenue from Operations</b> | <b>10,137.01</b> | <b>100.00%</b>               | <b>9,011.86</b> | <b>100.00%</b>               | <b>8,535.75</b> | <b>100.00%</b>               |

## Expenditure

Our expenditure comprises of (i) Cost of Materials Consumed, (ii) Purchase of Stock In Trade, (iii) Changes in Inventories of Finished Goods, (iv) Direct Expenses, (v) Employee Benefits Expense, (vi) Finance Costs, (vii) Depreciation and Amortisation Expense and (viii) Other Expenses. Our total expenditure for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹7,958.28 lakhs, ₹8,464.39 lakhs and ₹8,198.08 lakhs respectively.

(₹ in Lakhs)

| Particulars                              | Consolidated    |                    | Standalone      |                    | Standalone      |                    |
|------------------------------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--------------------|
|                                          | Fiscal 2025     | % of Total Expense | Fiscal 2024     | % of Total Expense | Fiscal 2023     | % of Total Expense |
| Cost of Materials Consumed               | 4,429.22        | 55.66%             | 5,679.09        | 67.09%             | 5,866.68        | 71.56%             |
| Purchase of Stock In Trade               | 47.76           | 0.60%              | 230.63          | 2.72%              | -               | 0.00%              |
| Changes in Inventories of Finished Goods | -550.96         | -6.92%             | -141.94         | -1.68%             | -348.00         | -4.24%             |
| Direct Expenses                          | 1,494.55        | 18.78%             | 868.30          | 10.26%             | 853.29          | 10.41%             |
| Employee Benefits Expense                | 717.05          | 9.01%              | 692.49          | 8.18%              | 735.29          | 8.97%              |
| Finance Costs                            | 369.26          | 4.64%              | 302.04          | 3.57%              | 294.37          | 3.59%              |
| Depreciation and Amortisation Expense    | 306.03          | 3.85%              | 165.47          | 1.95%              | 166.12          | 2.03%              |
| Other Expenses                           | 1,145.37        | 14.39%             | 668.31          | 7.90%              | 630.33          | 7.69%              |
| <b>Total Expenses</b>                    | <b>7,958.28</b> | <b>100.00%</b>     | <b>8,464.39</b> | <b>100.00%</b>     | <b>8,198.08</b> | <b>100.00%</b>     |

## Comparison of Result of Operation

₹ in Lakhs

| Particulars                                      | Consolidated     |                   | Standalone      |                   | Standalone      |                   |
|--------------------------------------------------|------------------|-------------------|-----------------|-------------------|-----------------|-------------------|
|                                                  | Fiscal 2025      | % of Total Income | Fiscal 2024     | % of Total Income | Fiscal 2023     | % of Total Income |
| <b>Income</b>                                    |                  |                   |                 |                   |                 |                   |
| Revenue From Operations                          | 10,137.01        | 96.77%            | 9,011.86        | 98.74%            | 8,535.75        | 98.74%            |
| Other Income                                     | 338.74           | 3.23%             | 114.65          | 1.26%             | 109.33          | 1.26%             |
| <b>Total Income</b>                              | <b>10,475.75</b> |                   | <b>9,126.51</b> |                   | <b>8,645.08</b> |                   |
| <b>Expenses</b>                                  |                  |                   |                 |                   |                 |                   |
| Cost of Materials Consumed                       | 4,429.22         | 42.28%            | 5,679.09        | 62.23%            | 5,866.68        | 67.86%            |
| Purchase of Stock In Trade                       | 47.76            | 0.46%             | 230.63          | 2.53%             | -               | 0.00%             |
| Changes in Inventories of Finished Goods         | -550.96          | -5.26%            | -141.94         | -1.56%            | -348.00         | -4.03%            |
| Direct Expenses                                  | 1,494.55         | 14.27%            | 868.30          | 9.51%             | 853.29          | 9.87%             |
| Employee Benefits Expense                        | 717.05           | 6.84%             | 692.49          | 7.59%             | 735.29          | 8.51%             |
| Finance Costs                                    | 369.26           | 3.52%             | 302.04          | 3.31%             | 294.37          | 3.41%             |
| Depreciation and Amortisation Expense            | 306.03           | 2.92%             | 165.47          | 1.81%             | 166.12          | 1.92%             |
| Other Expenses                                   | 1,145.37         | 10.93%            | 668.31          | 7.32%             | 630.33          | 7.29%             |
| <b>Total Expenses</b>                            | <b>7,958.28</b>  | <b>75.97%</b>     | <b>8,464.39</b> | <b>92.75%</b>     | <b>8,198.08</b> | <b>94.83%</b>     |
| <b>Profit Before Extraordinary Items And Tax</b> | <b>2,517.47</b>  | <b>24.03%</b>     | <b>662.12</b>   | <b>7.25%</b>      | <b>447.00</b>   | <b>5.17%</b>      |
| Extraordinary Items                              | -                | 0.00%             | -               | 0.00%             | 11.04           | 0.13%             |
| <b>Profit Before Tax</b>                         | <b>2,517.47</b>  | <b>24.03%</b>     | <b>662.12</b>   | <b>7.25%</b>      | <b>458.04</b>   | <b>5.30%</b>      |
| <b>Tax Expense</b>                               |                  |                   |                 |                   |                 |                   |
| Current Tax                                      | 623.36           | 5.95%             | 181.20          | 1.99%             | 147.57          | 1.71%             |
| Deferred Tax                                     | -3.80            | -0.04%            | 4.89            | 0.05%             | -12.32          | -0.14%            |
| Mat Credit Entitlement                           | -                | 0.00%             | -               | 0.00%             | 2.37            | 0.03%             |
| <b>Net Tax Expense</b>                           | <b>619.56</b>    | <b>5.91%</b>      | <b>186.09</b>   | <b>2.04%</b>      | <b>137.62</b>   | <b>1.59%</b>      |
| <b>Profit After Tax for the Year</b>             | <b>1,897.91</b>  | <b>18.12%</b>     | <b>476.03</b>   | <b>5.22%</b>      | <b>320.42</b>   | <b>3.71%</b>      |
| <b>Earnings Per Equity Share (EPS)</b>           |                  |                   |                 |                   |                 |                   |
| Basic EPS                                        | 61.42            | -                 | 17.70           | -                 | 15.83           | -                 |
| Diluted EPS                                      | 61.42            | -                 | 17.70           | -                 | 15.83           | -                 |

## Fiscal 2025 Compared to Fiscal 2024

Financial statement for fiscal 2025 was prepared on consolidated basis due to acquisition of equity shares of MG Industries Limited. The company acquired 6.90 lakhs equity shares representing 64.23% of the equity share capital of the MG Industries Limited on October 31, 2024. Consequently, MG industries Limited became a subsidiary of the company effective from the said date. Furthermore, on December 29, 2024, the company acquired an additional 3.60 lakhs equity shares constituting 33.51% of the equity share capital of MG industries Limited.

**Total Income:**

Total income of the company comprises of revenue from operations and other income. Total income has increased by 14.78%, from ₹9,126.51 lakhs in fiscal 2024 to ₹10,475.75 lakhs in fiscal 2025. This was primarily on account of increase in revenue from operations which rose by 12.49% and other income which increased by 195.46%.

**Revenue from Operations**

Revenue from operations has increased by 12.49% from ₹9,011.86 lakhs in fiscal 2024 to ₹10,137.01 lakhs in fiscal 2025. This was primarily on account of increase in sales of manufactured goods, which increased by 9.36% from ₹8,033.28 lakhs in fiscal 2024 to ₹8,785.42 lakhs in fiscal 2025. Also, revenue from sale of services has increased in fiscal 2025 by 328.38% from ₹277.46 lakhs in fiscal 2024 to ₹1,188.58 lakhs in fiscal 2025 due to consolidation of subsidiary. Increase in prices of tyre tubes and flaps has resulted to higher income with volumes being more or less same compared to last fiscal.

**Other Income**

Other income has increased by 195.46% from ₹114.65 lakhs in fiscal 2024 to ₹338.74 lakhs in fiscal 2025. This was primarily driven by gain on sale of property of ₹142.62 lakhs, liabilities and provisions written back of ₹46.24 lakhs, government grants of ₹6.64 lakhs GST refund of ₹26.94 lakhs and miscellaneous income of ₹32.26 lakhs.

**Expenses****Cost of Material Consumed**

Cost of material consumed has decreased by 22.01% from ₹5,679.09 lakhs in fiscal 2024 to ₹4,429.22 lakhs in fiscal 2025. The cost has decreased due to a change in the composition of raw materials. The company has transitioned to procuring ready-made premix raw materials used for the manufacturing of tyre flaps and tubes. This approach is more cost-effective compared to sourcing individual components and mixing them in precise proportions at the manufacturing facility.

**Purchase of Stock in Trade**

Purchase of Stock in Trade for fiscal 2025 was ₹47.76 lakhs which decreased by 79.29% from ₹230.63 lakhs in fiscal 2024.

**Changes in Inventories of Finished Goods**

During fiscal 2025, company has reported increase in inventory of finished goods of ₹550.96 lakhs compared to ₹141.94 lakhs in fiscal 2024. Opening inventory of finished goods were ₹1,264.60 lakhs and closing inventory of finished goods were ₹1,815.56 lakhs resulting in net increase by ₹550.96 lakhs.

**Direct Expenses**

Direct expenses for fiscal 2025 increased by ₹72.12% from ₹868.30 lakhs in fiscal 2024 to ₹1,494.55 lakhs in fiscal 2025. Direct expenses increased due to increase in Wages, Stores, Spares & Consumables, Power, fuel and water charges, Repair and maintenance and Loading, unloading & packing charges. Wages increased by 98.28% to ₹686.32 lakhs, Stores, Spares & Consumables increased by 361.12% to ₹93.10 lakhs, Power, fuel and water charges increased by 42.25% to ₹545.29 lakhs, Repair and maintenance increased by 168.58% to ₹73.78 lakhs and Loading, unloading & packing charges increased by 5.35%.

**Employee Benefits Expense**

Employee benefit expenses has increased by 3.55% from ₹692.49 lakhs in fiscal 2024 to ₹717.05 lakhs in fiscal 2025. Under the employee expenses, Salaries, bonus and incentive increased by 28.26% to ₹374.09 lakhs, Director's

Remuneration decreased by 10.58% to ₹279.00 lakhs, Contribution to provident and other fund increased by 46.95% to ₹20.97 lakhs, Leave encashment expense decreased by 340.32% to ₹1.49 lakhs, Gratuity expense increased by 61.73% to ₹14.62 lakhs and Staff welfare expense decreased by 60.17% to ₹26.88 lakhs.

### **Finance Cost**

Finance cost has increased by 22.26% from ₹302.04 lakhs in fiscal 2024 to ₹369.26 lakhs in fiscal 2025. This was primarily on accounts of net increase in borrowings by ₹11,023.18 lakhs during fiscal 2025.

### **Depreciation and Amortisation Expense**

Depreciation and amortization expenses has increased by 84.95% from ₹165.47 lakhs in fiscal 2024 to ₹306.03 lakhs in fiscal 2025. The primary reason for increase in depreciation and amortization expenses was net addition to Property, plant and equipment of ₹2,282.23 lakhs in fiscal 2025. Company has made net addition of ₹1,931.56 lakhs to Plant and machinery, net addition to furniture's and fixtures of ₹64.99 lakhs, net addition of vehicles of ₹35.81 lakhs, addition of office equipment's of ₹37.89 lakhs, addition to factory building of ₹177.36 lakhs and computers of ₹27.73 lakhs.

### **Other Expenses**

Other expenses have increased by 71.38% from ₹668.31 lakhs in fiscal 2024 to ₹1,145.37 lakhs in fiscal 2025. Under the component of other expenses, Freight charges increased by 0.81% from ₹139.10 lakhs in fiscal 2024 to ₹140.22 lakhs in fiscal 2025, Audit fees increased by 1040% from ₹1.50 lakhs in fiscal 2024 to ₹17.1 lakhs in fiscal 2025, Business promotion expenses decreased by 72.08% from ₹161.85 lakhs in fiscal 2024 to ₹45.19 lakhs in fiscal 2025, Bank charges increased by 5,635.21% from ₹0.71 lakhs in fiscal 2024 to ₹40.72 lakhs in fiscal 2025, Legal and professional fees increased by 369.43% from ₹45.47 lakhs in fiscal 2024 to ₹213.45 lakhs in fiscal 2025. Electricity expenses fees decreased by 42.60% from ₹6.15 lakhs in fiscal 2024 to ₹3.53 lakhs in fiscal 2025, Interest and penalty increased by 1,459.93% from ₹24.73 lakhs in fiscal 2024 to ₹385.77 lakhs in fiscal 2025, Commission expenses decreased by 14.84% from ₹4.38 lakhs in fiscal 2024 to ₹3.73 lakhs in fiscal 2025, Travelling expenses decreased by 61.51% from ₹54.98 lakhs in fiscal 2024 to ₹21.16 lakhs in fiscal 2025, Repair and maintenance decreased by 3.26% from ₹23.89 lakhs in fiscal 2024 to ₹23.11 lakhs in fiscal 2025, Vehicle running and maintenance expenses decreased by 57.70% from ₹42.08 lakhs in fiscal 2024 to ₹17.80 lakhs in fiscal 2025, Printing & Stationery expenses decreased by 55.93% from ₹15.52 lakhs in fiscal 2024 to ₹6.84 lakhs in fiscal 2025, office expenses decreased by 15.28% from ₹46.80 lakhs in fiscal 2024 to ₹39.65 lakhs in fiscal 2025, Communication expenses decreased by 72.15% from ₹11.24 lakhs in fiscal 2024 to ₹3.13 lakhs in fiscal 2025, Non-operating expenses decreased by 95.18% from ₹4.77 lakhs in fiscal 2024 to ₹0.23 lakhs in fiscal 2025, Insurance expenses increased by 22.00% from ₹10.91 lakhs in fiscal 2024 to ₹13.31 lakhs in fiscal 2025, Rent expenses increased by 51.08% from ₹31.48 lakhs in fiscal 2024 to ₹47.56 lakhs in fiscal 2025, Security expenses increased by 41.12% from ₹28.99 lakhs in fiscal 2024 to ₹40.91 lakhs in fiscal 2025, Rates and taxes expenses increased by 671.59% from ₹3.59 lakhs in fiscal 2024 to ₹27.70 lakhs in fiscal 2025 and Miscellaneous expenses increased by 50.74% from ₹10.17 lakhs in fiscal 2024 to ₹15.33 lakhs in fiscal 2025. Apart from these expenses, company has incurred CSR expenses of ₹10.50 lakhs in fiscal 2025.

### **Profit Before Tax**

For the reasons discussed above, our profit before tax has increased by 280.21% from ₹662.12 lakhs in fiscal 2024 to ₹2,517.47 lakhs in fiscal 2025.

### **Tax Expense**

Company has incurred Tax Expenses of ₹619.56 lakhs in fiscal 2025 which has increased by 232.94% from ₹186.09 lakhs in fiscal 2024. Current tax has increased by 244.02% from ₹181.20 lakhs in fiscal 2024 to ₹623.36 lakhs in fiscal 2025.

## **Profit After Tax**

Profit after tax for fiscal 2025 increased by 298.70% from ₹476.03 lakhs in fiscal 2024 to ₹1,897.91 lakhs in fiscal 2025. Profit margin was 18.12% in fiscal 2025 compared to 5.22% in fiscal 2024. Profitability has increased significantly due to the effect of consolidation, fall in total expenditures as percent of total income compared to fiscal 2024 and better value realization on products due to rise in product prices.

## **Fiscal 2024 Compared to Fiscal 2023 (Standalone)**

### **Total Income:**

Total income of the company comprises of revenue from operations and other income. Total income has increased by 5.57%, from ₹8,645.08 lakhs in fiscal 2023 to ₹9,126.51 lakhs in fiscal 2024. This was primarily on account of increase in revenue from operations which rose by 12.49% and other income which increased by 195.46%.

### **Revenue from Operations**

Revenue from operations has increased by 5.58% from ₹8,535.75 lakhs in fiscal 2023 to ₹9,011.86 lakhs in fiscal 2024. Sales of manufactured goods, which decreased by 2.31% from ₹8,223.0 lakhs in fiscal 2023 to ₹8,033.28 lakhs in fiscal 2024. Also, revenue from sale of services has increased in fiscal 2024 by 14.59% from ₹242.13 lakhs in fiscal 2023 to ₹277.46 lakhs in fiscal 2024 and sale of scrap has increased by 130.28% from ₹70.60 lakhs to ₹162.58 lakhs in fiscal 2024.

### **Other Income**

Other income has increased by 4.87% from ₹109.33 lakhs in fiscal 2023 to ₹114.65 lakhs in fiscal 2024. This was primarily driven by interest income which increased from ₹109.33 lakhs in fiscal 2023 to ₹114.65 lakhs in fiscal 2024.

### **Expenses**

#### **Cost of Material Consumed**

Cost of material consumed has decreased by 3.20% from ₹5,866.68 lakhs in fiscal 2023 to ₹5,679.09 lakhs in fiscal 2024. The company has started transitioning to procure ready-made premix raw materials used for the manufacturing of tyre flaps and tubes. This approach is more cost-effective compared to sourcing individual components and mixing them in precise proportions at the manufacturing facility. Also, on other hand the

#### **Purchase of Stock in Trade**

Purchase of Stock in Trade for fiscal 2024 was ₹230.63 lakhs. However, it was nil in fiscal 2023, as company has not traded in any goods during the fiscal 2023.

#### **Changes in Inventories of Finished Goods**

During fiscal 2024, company has reported increase in inventory of finished goods of ₹141.95 lakhs compared to ₹348 lakhs in fiscal 2023. Opening inventory of finished goods were ₹1,122.66 lakhs and closing inventory of finished goods were ₹1,264.60 lakhs resulting in net increase by ₹550.96 lakhs.

### **Direct Expenses**

Direct expenses for fiscal 2024 increased marginally by ₹1.76% from ₹853.29 lakhs in fiscal 2023 to ₹868.30 lakhs in fiscal 2024. Direct expenses increased due to increase in Wages, Stores, Spares & Consumables, Power, fuel and water charges, Repair and maintenance and Loading, unloading & packing charges. Wages increased by 17.07% to ₹346.13 lakhs, Stores, Spares & Consumables decreased by 85.45% to ₹20.19 lakhs, Power, fuel and water charges increased by 39.05% to ₹383.33 lakhs, Repair and maintenance decreased by 44.52% to ₹27.47 lakhs and Loading, unloading & packing charges decreased by 2.64% to ₹91.18 lakhs.

### **Employee Benefits Expense**

Employee benefit expenses has decreased by 5.82% from ₹735.29 lakhs in fiscal 2023 to ₹692.49 lakhs in fiscal 2024. Under the employee expenses, Salaries, bonus and incentive decreased by 22.30% to ₹290.31 lakhs, Director's Remuneration increased by 11.83% to ₹312.00 lakhs, Contribution to provident and other fund increased by 16.02% to ₹14.27 lakhs, Gratuity expense increased by 532.17% to ₹9.04 lakhs and Staff welfare expense decreased by 1.99% to ₹67.49 lakhs.

### **Finance Cost**

Finance cost has increased marginally by 2.61% from ₹294.37 lakhs in fiscal 2023 to ₹302.04 lakhs in fiscal 2024. This was primarily on accounts of net increase in borrowings by ₹3,248.89 lakhs during fiscal 2024.

### **Depreciation and Amortisation Expense**

Depreciation and amortization expenses has decreased by 0.39% from ₹166.12 lakhs in fiscal 2023 to ₹165.47 lakhs in fiscal 2024. The primary reason for decrease in depreciation and amortization expenses was net deletion to Property, plant and equipment of ₹5.15 lakhs in fiscal 2024. However, there was addition to other fixed assets to the extent of ₹80.48 lakhs.

### **Other Expenses**

Other expenses have increased by 6.03% from ₹630.33 lakhs in fiscal 2023 to ₹668.31 lakhs in fiscal 2024. Under the component of other expenses, Freight charges decreased by 2.41% from ₹142.54 lakhs in fiscal 2023 to ₹139.10 lakhs in fiscal 2024, Audit fees increased by 500% from ₹0.25 lakhs in fiscal 2023 to ₹1.50 lakhs in fiscal 2024, Business promotion expenses increased by 46.55% from ₹110.44 lakhs in fiscal 2023 to ₹161.85 lakhs in fiscal 2024, Bank charges decreased by 92.99% from ₹8.98 lakhs in fiscal 2023 to ₹0.71 lakhs in fiscal 2024, Legal and professional fees increased by 0.55% from ₹45.22 lakhs in fiscal 2023 to ₹45.47 lakhs in fiscal 2024. Electricity expenses fees decreased by 268.26% from ₹1.67 lakhs in fiscal 2023 to ₹6.15 lakhs in fiscal 2024, Interest and penalty increased by 42.1% from ₹17.39 lakhs in fiscal 2023 to ₹24.73 lakhs in fiscal 2024, Travelling expenses decreased by 38.33% from ₹89.15 lakhs in fiscal 2023 to ₹54.98 lakhs in fiscal 2024, Repair and maintenance increased by 52.07% from ₹15.71 lakhs in fiscal 2023 to ₹23.89 lakhs in fiscal 2024, Vehicle running and maintenance expenses increased by 23.69% from ₹34.02 lakhs in fiscal 2023 to ₹42.08 lakhs in fiscal 2024, Printing & Stationery expenses increased by 38.57% from ₹11.20 lakhs in fiscal 2023 to ₹15.52 lakhs in fiscal 2024, office expenses decreased by 1.83% from ₹47.67 lakhs in fiscal 2023 to ₹46.80 lakhs in fiscal 2024, Communication expenses decreased by 1.49% from ₹11.41 lakhs in fiscal 2023 to ₹11.24 lakhs in fiscal 2024, Insurance expenses increased by 5.00% from ₹10.39 lakhs in fiscal 2023 to ₹10.91 lakhs in fiscal 2024, Rent expenses decreased by 0.16% from ₹31.53 lakhs in fiscal 2023 to ₹31.48 lakhs in fiscal 2024, Security expenses increased by 51.86% from ₹19.09 lakhs in fiscal 2023 to ₹28.99 lakhs in fiscal 2024, Rates and taxes expenses decreased by 82.67% from ₹20.71 lakhs in fiscal 2023 to ₹3.59 lakhs in fiscal 2024 and Miscellaneous expenses decreased by 20.24% from ₹12.75 lakhs in fiscal 2023 to ₹10.17.

### **Profit Before Tax**

For the reasons discussed above, our profit before tax has increased by 48.13% from ₹458.04 lakhs in fiscal 2023 to ₹662.12 lakhs in fiscal 2024.

### **Tax Expense**

Total tax expenses increased by 35.22% from ₹137.62 lakhs in fiscal 2023 to ₹186.09 lakhs in fiscal 2024. Company has incurred current tax expenses of ₹181.20 lakhs in fiscal 2024 which has increased by 22.79% from ₹147.57 lakhs in fiscal 2023. Deferred Tax was ₹4.89 Lakhs as compared to ₹(12.32) Lakhs.

## Profit After Tax

Profit after tax for fiscal 2024 increased by 48.56% from ₹320.42 lakhs in fiscal 2023 to ₹476.03 lakhs in fiscal 2024. Profit margin was 5.22% in fiscal 2024 compared to 3.71% in fiscal 2023. Profitability has increased due to the effect of consolidation, fall in total expenditures as percent of total income compared to fiscal 2023.

## Non GAAP Financial Measures

Our financial statements are prepared in accordance with generally accepted accounting principles in India ("Indian GAAP") to comply with the Accounting Standards as specified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. In addition to our results determined in accordance with Indian GAAP, we believe the following non-GAAP measures are useful to investors in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance Indian GAAP, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Indian GAAP. Non-GAAP financial information may be different from similarly titled non-GAAP measures used by other companies. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind GAAP. Investors are encouraged to review the related Indian GAAP financial measures and the reconciliation of non-GAAP financial measures and to not rely on any single financial measure to evaluate our business.

**The table set forth below reconciles, Profit for the Period (PAT) Margin, EBITDA (excluding Other Income), EBIT (Including Other Income), EBITDA Margin and EBIT Margin**

| Particulars                            | ₹ in Lakhs                  |                           |                           |
|----------------------------------------|-----------------------------|---------------------------|---------------------------|
|                                        | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
| Revenue from Operations                | 10,137.01                   | 9,011.86                  | 8,535.75                  |
| Total Income                           | 10,475.75                   | 9,126.51                  | 8,645.08                  |
| <b>Profit After Tax (PAT)</b>          | <b>1,897.91</b>             | <b>476.03</b>             | <b>320.42</b>             |
| Add: Tax Expenses                      | 619.56                      | 186.09                    | 137.62                    |
| <b>Profit Before Tax</b>               | <b>2,517.47</b>             | <b>662.12</b>             | <b>458.04</b>             |
| Add: Finance Cost                      | 369.26                      | 302.04                    | 294.37                    |
| <b>EBIT (Including Other Income)</b>   | <b>2,886.73</b>             | <b>964.16</b>             | <b>752.41</b>             |
| Less: Extraordinary Items              | -                           | -                         | 11.04                     |
| Less: Other Income                     | 338.74                      | 114.65                    | 109.33                    |
| Add: Depreciation                      | 306.03                      | 165.47                    | 166.12                    |
| <b>EBITDA (Excluding Other Income)</b> | <b>2,854.02</b>             | <b>1,014.98</b>           | <b>798.16</b>             |
| PAT Margin                             | 18.12%                      | 5.22%                     | 3.71%                     |
| EBIT Margin                            | 27.56%                      | 10.56%                    | 8.70%                     |
| EBITDA Margin                          | 28.15%                      | 11.26%                    | 9.35%                     |

*PAT (Profit After Tax) Margin is calculated as percent of Total income.*

*EBIT (including Other income) is arrived at by adding Finance cost to profit before tax.*

*EBITDA (excluding other income) is calculated from EBIT by deducting extraordinary item, other income and adding depreciation & amortization expenses.*

*EBIT (including Other income) margin is calculated as EBIT (including Other income) as percent of total income.*

*EBITDA (excluding other income) margin is calculated as EBITDA (excluding other income) as percent of revenue from operations.*



The table set forth below reconciles, Capital employed and return on capital employed:

| Particulars                          | ₹ in Lakhs                  |                           |                           |
|--------------------------------------|-----------------------------|---------------------------|---------------------------|
|                                      | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
| <b>Profit After Tax (PAT)</b>        | <b>1,897.91</b>             | <b>476.03</b>             | <b>320.42</b>             |
| Add: Tax Expenses                    | 619.56                      | 186.09                    | 137.62                    |
| <b>Profit Before Tax</b>             | <b>2,517.47</b>             | <b>662.12</b>             | <b>458.04</b>             |
| Add: Finance Cost                    | 369.26                      | 302.04                    | 294.37                    |
| <b>EBIT (Including Other Income)</b> | <b>2,886.73</b>             | <b>964.16</b>             | <b>752.41</b>             |
| Total Equity/Net Worth               | 9,252.93                    | 4,617.91                  | 3,302.89                  |
| Add: Total Debt                      | 9,180.76                    | 6,294.16                  | 3,045.27                  |
| Add: Minority                        | 29.75                       | -                         | -                         |
| <b>Capital Employed</b>              | <b>18,468.92</b>            | <b>10,912.07</b>          | <b>6,348.16</b>           |
| <b>Return on Capital Employed</b>    | <b>15.63%</b>               | <b>8.84%</b>              | <b>11.85%</b>             |

Return on capital employed is calculated as EBIT (including Other income) as percent of Capital employed.

Capital employed is calculated by adding total debt (Short Term Plus Long Term), deferred tax liabilities and net worth

The table set forth below reconciles, Net Worth and Return on Net Worth / Equity:

| Particulars                         | ₹ in Lakhs                  |                           |                           |
|-------------------------------------|-----------------------------|---------------------------|---------------------------|
|                                     | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
| <b>Profit After Tax (PAT)</b>       | <b>1,897.91</b>             | <b>476.03</b>             | <b>320.42</b>             |
| Equity Share Capital                | 342.96                      | 272.03                    | 219.6                     |
| Reserves and Surplus                | 8,909.97                    | 4,345.88                  | 3,083.29                  |
| <b>Net Worth</b>                    | <b>9,252.93</b>             | <b>4,617.91</b>           | <b>3,302.89</b>           |
| <b>Return on Net Worth / Equity</b> | <b>20.51%</b>               | <b>10.31%</b>             | <b>9.70%</b>              |

Net Worth is calculated by adding Equity share capital and reserves and surplus. Return on net worth is calculated as profit after tax as percent of net worth.

The table set forth below reconciles, Net Asset Value Per Equity Shares:

Net asset value per equity shares is calculated as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.

| Particulars                                     | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
|-------------------------------------------------|-----------------------------|---------------------------|---------------------------|
|                                                 |                             |                           |                           |
| Total Net worth ( ₹ in Lakhs)                   | 9,252.93                    | 4,617.91                  | 3,302.89                  |
| Number of Equity Shares used in calculating EPS | 34,29,609                   | 27,20,343                 | 21,95,967                 |
| Net asset Value Per Equity Shares (in ₹)        | <b>269.80</b>               | <b>169.76</b>             | <b>150.40</b>             |

### Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operating activities and borrowings including short term and long term borrowings. For fiscal 2025, our cash flow from operating activities was ₹2,060.97 lakhs and cash & equivalents was ₹261.47 lakhs. During the fiscal 2025, our company has paid net of ₹2,576.17 lakhs of long term borrowings as well as our short term borrowings has increased by ₹4,063.97 lakhs during fiscal 2025.



Cash and equivalents for fiscal 2025, fiscal 2024 and fiscal 2023 was reported at ₹261.47 lakhs, ₹35.63 lakhs and ₹61.22 lakhs respectively.

### Cash Flow Statement

The below set forth table is the extracts of Cash Flow statement of our company.

| Particulars                                                 | ₹ in Lakhs                  |                           |                           |
|-------------------------------------------------------------|-----------------------------|---------------------------|---------------------------|
|                                                             | Consolidated<br>Fiscal 2025 | Standalone<br>Fiscal 2024 | Standalone<br>Fiscal 2023 |
| Cash Flow from Operating Activities                         | 2,060.97                    | (1,082.86)                | 756.36                    |
| Cash Flow from Investing Activities                         | (5,033.86)                  | (2,727.02)                | (691.05)                  |
| Cash Flows from Financing Activities                        | 3,173.43                    | 3,784.29                  | (18.89)                   |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> | <b>200.54</b>               | <b>(25.59)</b>            | <b>46.42</b>              |
| Cash and Cash Equivalents at the Beginning of the Year      | 60.93                       | 61.22                     | 14.80                     |
| <b>Cash and Cash Equivalents at the End of the Year</b>     | <b>261.47</b>               | <b>35.63</b>              | <b>61.22</b>              |

### Cash Flow from Operating Activities

#### Fiscal 2025:

Company has generated net cash from operating activities to the extent of ₹2,060.97 lakhs. Profit before tax was reported at ₹2,517.47 lakhs which adjusted for depreciation of ₹306.03 lakhs, gain on of sale of property, plant and equipment & investments of ₹142.88 lakhs Interest expenses of ₹369.26 lakhs, Interest income of ₹82.51 lakhs, government grants of ₹6.64 lakhs, Liabilities and provisions no longer required, written back to the extent of ₹46.24 lakhs and other non-operating expenses of ₹0.23 lakhs resulting in Operating profit before working capital changes of ₹2,914.72 lakhs. The profit was adjusted for net working capital change of ₹466.87 lakhs, primarily on account of increase in cash outflows, driven by increase in inventory by ₹1,035.58 lakhs and increase in payable of ₹322.96 lakhs. Also, increase in receivables of ₹87.83 lakhs, increase in other current assets of ₹326.91 lakhs and long term advances of ₹634.88 lakhs. Post payment of taxes the net cash flows was ₹2,060.97 lakhs for fiscal 2025.

#### Fiscal 2024:

Company has used net cash in operating activities to the extent of ₹1,082.86 lakhs. Profit before tax was reported at ₹662.12 lakhs which adjusted for depreciation of ₹165.47 lakhs, gain on of sale of property, plant and equipment & investments of ₹0.32 lakhs Interest expenses of ₹302.04 lakhs, Interest income of ₹111.13 lakhs, Liabilities and provisions no longer required, written back to the extent of ₹0.57 lakhs and other non-operating expenses of ₹4.77 lakhs resulting in Operating profit before working capital changes of ₹1,022.38 lakhs. The profit was adjusted for net increase in working capital change of ₹1,977.63 lakhs, primarily on account of increase in short term loans on advances by ₹1,936.32 lakhs and increase in cash outflows in inventory by 329.58 lakhs. Post payment of taxes of ₹127.61 lakhs, net cash used in operating activities was ₹1,082.86 lakhs.

#### Fiscal 2023:

Company has generated net cash from operating activities to the extent of ₹756.36 lakhs. Profit before tax was reported at ₹447 lakhs which adjusted for depreciation of ₹166.12 lakhs, Interest expenses of ₹294.37 lakhs, Interest income of ₹109.33 lakhs, resulting in Operating profit before working capital changes of ₹798.16 lakhs. The profit was adjusted for net decrease in working capital change of ₹9.73 lakhs, primarily on account of increase in trade payable by ₹489.17 lakhs, decrease in long term loans and advances by 501.06 lakhs, increase in short term loans and advances of ₹326.39 lakhs. Post payment of taxes of ₹62.57 and adjustment of extraordinary item of ₹11.04 lakhs, company has generated net cash from operating activities of ₹756.36 lakhs.

## **Cash Flow from Investing Activities**

### ***Fiscal 2025:***

Net cash used in investing activities was ₹5,033.86 lakhs, During Fiscal 2025, primarily, company has net purchase of property, plant & equipment including capital work in progress ₹3,904.72 lakhs, purchased investment of ₹1,382.30 lakhs, gain on sale of assets of ₹142.88 lakhs, received government grants of ₹34.40 lakhs and Interest income of ₹82.51 lakhs.

### ***Fiscal 2024:***

Net cash used in investing activities was ₹2,727.02 lakhs, primarily outflows was resulted from net purchase of property, plant & equipment including capital work in progress ₹2,853.85 lakhs, sale of investment of ₹20.15 lakhs and interest received of ₹111.13 lakhs.

### ***Fiscal 2023:***

Net cash used in investing activities was ₹691.05 lakhs, primarily outflows was resulted from net purchase of property, plant & equipment including capital work in progress ₹761.68 lakhs, purchased investment of ₹38.70 lakhs and interest received of ₹109.33 lakhs

## **Cash Flow from Financing Activities**

### ***Fiscal 2025:***

Net cash generated from financing activities was ₹3,173.43 lakhs. This was primarily on account of issue of equity shares including premium for ₹2,049.30 lakhs, net increase in total borrowings by ₹1,487.80 lakhs and interest payment of ₹363.67 lakhs.

### ***Fiscal 2024:***

Net cash generated from financing activities was ₹3,784.29 lakhs. This was primarily on account of issue of equity shares including premium for ₹838.99 lakhs, net increase in total borrowings by ₹3,247.34 lakhs and interest payment of ₹302.04 lakhs.

### ***Fiscal 2024:***

Net cash used in financing activities was ₹18.89 lakhs. This was primarily on account of issue of equity shares including premium for ₹313.55 lakhs, net payment of total borrowings to the extent of ₹38.07 lakhs and interest payment of ₹294.37 lakhs.

*[The remainder of this page has intentionally been left blank]*

## FINANCIAL INDEBTEDNESS

Our Company has certain loans sanctioned in the ordinary course of its business for the purposes of meeting working capital requirements and capital expenditure requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a restated financial statement, as at March 31, 2025

(₹ In Lakhs)

| Name of the Loan                       | Type of Loan              | Sanction Date                                      | Sanction Limit | Term of Repayment     | Rate of Interest     | Outstanding 31 March 2025 | Note |
|----------------------------------------|---------------------------|----------------------------------------------------|----------------|-----------------------|----------------------|---------------------------|------|
| <b><u>Secured Loans</u></b>            |                           |                                                    |                |                       |                      |                           |      |
| <b><u>Current</u></b>                  |                           |                                                    |                |                       |                      |                           |      |
| State Bank of India                    | Cash Credit               | Annually renewed<br>Last renewal-<br>18 April 2024 | 1800.00        | Repayable on Demand   | 9.40 %<br>(Floating) | 1,772.75                  | 1    |
| State Bank of India-SLC                | Working Capital (secured) | Annually renewed<br>Last renewal-<br>18 April 2024 | 200.00         | Repayable on Demand   | 10.65%<br>(Floating) | 198.23                    | 1    |
| State Bank of India (foreign Currency) | Working Capital (secured) | 19 March 2025                                      | 4000.00        | 6 months              | 8.97%<br>(floating)  | 3,983.31                  | 1    |
| HDFC Bank Limited                      | Cash Credit               | 08 July 2024                                       | 250.00         | Repayable on Demand   | 9.00%<br>(Floating)  | 244.49                    | 4    |
|                                        |                           |                                                    |                |                       |                      |                           |      |
| <b><u>Non-Current Loan</u></b>         |                           |                                                    |                |                       |                      |                           |      |
| State Bank of India-Term Loan II       | Bank Loan                 | 10 April 2023                                      | 4800.00        | Repayable in 132 EMIs | 10%<br>(Floating)    | 754.05                    | 1    |
| State Bank of India – GECL Fund        | Bank Loan                 | 24 February 2022<br>Annually Renewed               | 353.00         | Repayable in 60 EMIs  | 9.25%<br>(Floating)  | Nil                       | 1    |
| State Bank of India – Term Loan        | Bank Loan                 | Closed                                             | 200.00         | Repayable in 47 EMIs  | 9.25%<br>(Floating)  | Nil                       | N/A  |
| Yes Bank Limited                       | Bank Loan                 | 28 November 2024                                   | 561.37         | Repayable in 107 EMIs | 9.80%<br>(Floating)  | 538.84                    | 2    |
| Yes Bank Limited                       | Bank Loan                 | 29 November 2020                                   | 700.00         | Repayable in 155 EMIs | 12.61%<br>(Floating) | Nil                       | 2    |
| HDFC Bank Limited                      | Bank Loan                 | 08 July 2024                                       | 994.71         | Point 3*              | Point 3*             | 829.67                    | 4    |
| Citi Corp Finance (India) Limited      | Vehicle Loan              | 17 May 2021                                        | 29.60          | Repayable on 60       | 7.20%                | 8.04                      | -    |
| ICICI Bank Limited                     | Vehicle Loan              | 28 January 2022                                    | 78.83          | Repayable in 84 EMIs  | 7.00%                | 46.45                     | -    |
| ICICI Bank Limited                     | Vehicle Loan              | 19 November 2020                                   | 32.50          | Repayable in 48 EMIs  | 8.50%                | Nil                       | -    |

| Name of the Loan       | Type of Loan         | Sanction Date    | Sanction Limit | Term of Repayment              | Rate of Interest | Outstanding 31 March 2025 | Note |
|------------------------|----------------------|------------------|----------------|--------------------------------|------------------|---------------------------|------|
| Axis Bank limited      | Vehicle Loan         | 22 March 2022    | 70.98          | Repayable in 84 EMIs           | 6.80%            | 44.46                     | -    |
| HDFC Bank Limited      | Vehicle Loan         | 05 June 2024     | 33.94          | Repayable in 39 EMIs           | 8.95%            | 26.15                     | -    |
| <b>Unsecured Loans</b> |                      |                  |                |                                |                  |                           |      |
| From Related party     | General Purpose Loan | Various          | -              | 12 months after reporting date | Nil              | 591.79                    | -    |
| Yes bank               | Working Capital      | 12 December 2024 | 360.00         | 90 days revolving facility     | 10 %             | 148.00                    | -    |

#### Point 1

- Hypothecation of entire current assets of the unit i.e., entire stock of the company including stock in transit, advance payment to suppliers etc both present and future.
- Hypothecation of entire receivables of the unit Book Debts, Govt Receivables etc. both present and future.
- Hypothecation of all plant & machinery and fixed assets present and future created out of Bank finance
- Equitable Mortgage of factory land & building situated at Plot No 78, Malanpur Industrial Area, Bhind, Madhya Pradesh owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)
- Equitable Mortgage of properties, details of properties are as under:
  - Factory Land & Buildings at freehold industrial plot at Khasra No 1036, 1038 & 1039 at Camp Road, Central Hope Town, Vikas Nagar, Selaqui, Dehradun, Uttarakhand 248197 owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited);
  - Freehold Residential property at Khasra No 197/2 (previously known as 156/197/2), Rajpur Road, Dehradun, Uttarakhand, 248009 owned by Mr Mohit Gupta;
  - Freehold Residential Plot at Plot No 6, Block B1, Village Tigra, Sushant Lok III, Gurugram, Haryana 122002 owned by Mr Mohit Gupta;
  - Freehold Residential DDA SFS Category II Flat No 153, Ground Floor, Pocket 6, site II Narsipur, Dwarka, Phase I New Delhi 110075 by Mrs Manju Gupta;
  - Industrial Property at Plot No 32, SIDCO Industrial Estate, Gummidipoondi, Chennai, Tamil Nadu 601201 owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)
  - Industrial Property at Plot No D12, Sahibabad Industrial Area, Site 1V, Sahibabad, Distt Ghaziabad, UP owned by M/s Qualimax Electronics Pvt Ltd.
  - Equitable Mortgage with First Charge on Freehold Industrial plot at Khasra No 1029 & 1040 at Camp Road, Central Hope Town, Vikas Nagar, Selaqui, Dehradun, Uttarakhand, 248197 owned by Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)
  - Lien On STDR/Mutual Fund of ₹ 0.50 Crs in name of Matangi Rubber Ltd (Formerly known as Matangi Rubber Pvt Limited)

f) Guarantee

1. Directors: i) Mohit Gupta ii) Manju Gupta iii) Radhika Gupta
2. Corporate Guarantee: Qualimax Electronics Private Limited

**Point 2**

- a) The loan is secured by immovable property owned by the directors, situated at 83 Anand Lok, Sadiq Nagar, South Delhi - 110049.

**Point 3**

Term loan of ₹ 243.77 lakh, ₹ 200.00 lakh, ₹ 308.79 lakh and ₹ 242.15 lakh repayable in 25, 65, 49 and 83 equated monthly instalments of ₹ 10.81 lakh, ₹ 3.93 lakh, ₹ 7.66 lakh and ₹ 4.04 lakh respectively along with average interest ranging from 9.22% to 9.89% p.a.

**Point 4**

Secured by exclusive hypothecation of inventory, book debt and other current assets both present and future including all moveable fixed assets of the Company and guaranteed by director and related parties. Additionally, the facility is secured by creating an equitable mortgage of the Company's industrial property situated at Plot No. 8, Industrial Area, Village Malanpur, Gohad Tehsil, District Bhind, Madhya Pradesh – 477117.

*[The remainder of this page has intentionally been left blank]*

## SECTION VI - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities including notices issued by such authorities; (iii) claims related to direct and indirect taxes; (iv) any other outstanding litigation based on lower of the threshold criteria mentioned below: (A) as determined to be material pursuant to the Materiality Policy adopted by the Board of Directors in accordance with the SEBI ICDR Regulations or (B) where the value or expected impact in terms of value, exceeds, (a) 2% of turnover, as per the latest annual restated consolidated financial statements of the Company; or (b) 2% of net worth, as per the latest annual restated consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative; or (c) 5% of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements in each case involving our Company, its Promoters, its Directors and its Subsidiaries (“**Relevant Parties**”) For the purpose of clause (iv)(B) above, it is clarified that the average of absolute value of profit or loss after tax is to be calculated by disregarding the ‘sign’ (positive or negative) that denotes such value. Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the Stock Exchanges against the Promoters in the last five financial years including any outstanding action. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.*

*There are no outstanding (i) criminal proceedings and (ii) actions taken by regulatory or statutory authorities including notices issued by such authorities involving our Company’s Key Managerial Personnel and Senior Management.*

*There are no outstanding litigation involving our Group Company which would have a material impact on our Company.*

*Pursuant to the Materiality Policy adopted by our Board on June 16, 2025 for the purposes of (iv)(A) above, any pending litigation involving the Relevant Parties, has been considered ‘material’ and accordingly disclosed in this Draft Red Herring Prospectus where:*

- (i) if the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds (i) 2% of turnover, as per the latest annual Restated Financial Statements of our Company; or (ii) 2% of net worth, as per the latest annual Restated Financial Statements of our Company, except in case the arithmetic value of the net worth is negative; or (iii) 5% of the average of absolute value of profit or loss after tax, as per the last three annual Restated Financial Statements of our Company, whichever is lower; or*
- (ii) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of our Company; or*
- (iii) any claim/dispute involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed 5 % of the average of absolute value of profit or loss after tax, as per the last three annual Restated Financial Statements of our Company.*

*For the purposes of the above, pre-litigation notices received by any of the Relevant Parties Key Managerial Personnel and Senior Management and Group Company from third parties (excluding such notices issued by any statutory/ regulatory/ governmental/ taxation authorities or notices threatening criminal action to the Relevant Parties) shall, unless otherwise decided by the Board, not be considered as an outstanding litigation until such time that the Relevant Parties, Key Managerial Personnel and Senior Management or Group Company, as the case may be, are impleaded as a party in litigation proceedings before any judicial/arbitral forum. Additionally, FIRs (whether cognizance has been taken or not) initiated against the Relevant Parties shall be disclosed in this Draft Red Herring Prospectus.*

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further in terms of the Materiality Policy adopted by our Board on June 16, 2025, a creditor shall be considered “material”, if the amounts due to such creditor is equal to or exceeds an amount which is lesser of (a) 2% of turnover, as per the last annual Restated Consolidated Financial Statements of our Company; or (ii) 2% of net worth, as per the last annual Restated Consolidated Financial Statements of our Company, except in case the arithmetic value of the net worth is negative; or (iii) 5% of the average of absolute value of profit or loss after tax, as per the last three Restated Consolidated Financial Statements of our Company, whichever is lower. Accordingly, any outstanding dues exceeding ₹ 64.29 lakhs, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

## **I. LITIGATIONS INVOLVING THE COMPANY**

### **A. LITIGATION FILED AGAINST THE COMPANY**

#### **1. Litigation Involving Criminal Matters**

Nil

#### **2. Litigation Involving Actions by Statutory and Regulatory Authorities**

Nil

#### **3. Litigation/Matters involving Tax Liabilities**

##### **a. Direct Tax Liabilities**

| <b>Sr. No.</b> | <b>Type of Direct Tax</b>           | <b>No. of Cases</b> | <b>Amount in dispute/demanded to the extent ascertainable<sup>#</sup><br/>(in Rs.)</b> | <b>Stage</b>  |
|----------------|-------------------------------------|---------------------|----------------------------------------------------------------------------------------|---------------|
| 1.             | Income Tax for Assessment Year 2014 | 1                   | 14,99,032                                                                              | Demand raised |
| 2.             | Income Tax for Assessment Year 2015 | 1                   | 3,42,420                                                                               | Demand raised |
| 3.             | Income Tax for Assessment Year 2016 | 1                   | 432                                                                                    | Demand raised |
| 4.             | Income Tax for Assessment Year 2017 | 1                   | 3,34,670                                                                               | Demand raised |
| 5.             | Income Tax for Assessment Year 2018 | 1                   | 61,25,787                                                                              | Demand raised |
| 6.             | Income Tax for Assessment Year 2019 | 1                   | 99,154                                                                                 | Demand raised |
| 7.             | Income Tax for Assessment Year 2020 | 1                   | 2,93,790                                                                               | Demand raised |
| 8.             | Income Tax for Assessment Year 2021 | 1                   | 5,68,737                                                                               | Demand raised |

<sup>#</sup>As per the Income Tax Portal.

##### **b. Indirect Tax Liabilities**

| <b>Sr. No.</b> | <b>Type of Indirect Tax</b>                          | <b>No. of Cases</b> | <b>Amount in dispute/demanded to the extent ascertainable*<br/>(in Rs.)</b> | <b>Stage</b>                                                                                            |
|----------------|------------------------------------------------------|---------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 1.             | Value Added Tax for April 04, 2016 to March 31, 2017 | 1                   | 20,10,600                                                                   | Final Tax Assessment Order dated September 25, 2021 was issued by the State Tax Department, Uttarakhand |

| Sr. No. | Type of Indirect Tax                                 | No. of Cases | Amount in dispute/demanded to the extent ascertainable* (in Rs.) | Stage                                                                                                               |
|---------|------------------------------------------------------|--------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
|         |                                                      |              |                                                                  | against the Company.                                                                                                |
| 2.      | Value Added Tax for April 04, 2017 to March 31, 2018 | 1            | 2,54,075                                                         | Final Tax Assessment Order dated May 25, 2022 passed by the State Tax Department, Uttarakhand, against the Company. |

\*Along with interest per annum payable on the above disputed amounts.

#### 4. Other Pending Litigations

- (i) ***CS (Comm.) No. 230 of 2022 filed by Jain Enterprises and Anr. (“Plaintiff”) against the Company (“Defendant”) before the High Court at Delhi (“Hon’ble High Court”).***

The Plaintiff has filed Commercial Suit bearing CS (COMM.) No. 230/2022 under Section 7 of Commercial Court Act, 2015 on February 25, 2022 before the Hon’ble High Court of Delhi, at New Delhi for recovery of a sum of Rs. 4,19,03,243/- (Rupees Four Crore Nineteen Lakhs Three Thousand Two Hundred and Forty-Three only) along with interest @ 15% p.a. together with TDS towards supply of rubber to the Defendant. The Defendant has filed written statement dated July 14, 2022 bearing diary no. 115318 refusing the claim. The Plaintiff has filed Application bearing I.A. No. 43261/2024 seeking direction for re-filing the Joint Documents Schedule. The said Suit and the said Application are pending. Thereafter, vide Order dated August 04, 2025 by the Hon’ble High Court, the said suit was referred to “SAMADHAN”, Delhi High Court Mediation and Conciliation Centre (“**Samadhan**”). The matter is pending.

- (ii) ***CS DJ No. 12920 of 2016 filed by Jain Enterprises and Anr. (“Plaintiff”) against the Company (“Defendants”) before Tis Hazari Court, Delhi (“Hon’ble Court”).***

The Plaintiff had filed the above Suit for recovery of Rs. 9,97,843/- (Rupees Nine Lakhs Ninety-Seven Thousand Eight Hundred and Forty-Three only) along with interest, allegedly arising out of commercial dealings between the parties.

In response, the Defendant filed its written statement and counter-claim dated December 9, 2016 (“**Counter-Claim**”) under Order VIII Rule 6A of the Code of Civil Procedure, 1908. The Defendant had raised preliminary objections, inter alia, that the Suit is devoid of cause of action, barred by limitation under Section 3 of the Limitation Act, 1963, and is based on forged and fabricated documents. The Defendant also stated that there exists no outstanding liability, as all earlier transactions were fully and finally settled upon payment of Rs. 43,00,000/- (Rupees Forty-Three Lakhs only) between August and November, 2013.

The Counter-Claim arises out of a Sale Contract dated January 15, 2015 entered into by the Defendant relying on representations made by the Plaintiff, who claimed to be an authorised agent of Gold Trading Company Limited, Vietnam. Under the said contract, the Defendant purchased 40 MT of natural rubber for USD 52,400/- (United States Dollars Fifty-Two Thousand and Four Hundred only) which was approximately Rs. 35,30,000/- (Rupees Thirty-Five Lakhs and Thirty Thousand only). Upon arrival in India, the consignment was seized by Customs, and analysis by the Rubber Board revealed that the product failed to meet BIS standards. The Defendant contended that the Certificate of Analysis earlier shared by the Plaintiff was fabricated, resulting in wrongful release of payment under a Letter of Credit. Consequently, the Defendant suffered a direct financial loss of Rs. 35,30,000/- (Rupees Thirty-Five Lakhs and Thirty Thousand only), paid an additional Rs. 10,59,415/- (Rupees Ten Lakhs Fifty-Nine Thousand Four Hundred and Fifteen only) in customs duty, and incurred a further business loss of Rs. 8,82,500/- (Rupees Eight Lakhs Eighty-Two Thousand and Five Hundred only) representing the lost resale margin.



Through the Counter-Claim, the Defendant has sought recovery of ₹35,30,000/- (Rupees Thirty Five Lakhs and Thirty Thousand Only) along with 18% interest per annum from the date of Letter of Credit issuance, ₹10,59,415/- (Rupees Ten Lakh Fifty-Nine Thousand Four Hundred and Fifteen only) with interest from the date of customs duty payment, and ₹8,82,500/- (Rupees Eight Lakhs Eighty-Two Thousand and Five Hundred only) in damages with interest from the date of Letter of Credit issuance, along with Rs. 55,780/- (Rupees Fifty-Five Thousand Seven Hundred and Eighty only) towards court fees and other costs, and has prayed for dismissal of the Plaintiff's suit with exemplary costs. The matter is pending.

**B. LITIGATION FILED BY THE COMPANY**

**1. Litigation Involving Criminal Matters**

Nil

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

Nil

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

Nil

**b. Indirect Tax Liabilities**

| Sr. No. | Type of Indirect Tax                                               | No. of Cases | Amount in dispute/demanded to the extent ascertainable (in Rs.) | Stage                                                                                                                                                                              |
|---------|--------------------------------------------------------------------|--------------|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Goods and Services Tax for period April 04, 2019 to March 31, 2020 | 1            | 97,29,261                                                       | Appeal dated November 20, 2024 filed by the Company before the Appellate Authority against the order dated August 23, 2024 passed by the Assistant Commissioner Division Dehradun. |

**4. Other Pending Litigations**

- (i) *C.S (Commercial) No. 707 of 2021 filed by the Company ("Plaintiff") against Jain Enterprises and Anr. ("Defendants") before the Hon'ble Court of Sh. Gurdeep Singh, District Judge (Commercial Court), North – West District, Rohini District Courts, New Delhi ("Hon'ble Court").*

The Plaintiff has filed Commercial Suit bearing CS DJ No.707 of 2021 against the Defendants on November 20, 2021 before the Hon'ble Court for recovery of a sum of Rs. 6,48,848.50/- (Rupees Six Lakhs Forty-Eight Thousand Eight Hundred Forty-Eight decimal Five only) together with interest at the rate of 12% p.a. for supply of inferior quality of rubber material by the Defendants to the Plaintiff. In addition to the relief of recovery of the said sum, the Plaintiff has sought the following reliefs: (i) Declaration that the Plaintiff does not owe any amount to the Defendants; (ii) Declaration that the Memorandum of Understanding dated February 1, 2019, the terms and conditions and all statements prepared thereon are forged, fabricated, non est and not binding; and (iii) Permanent Injunction restraining the Defendants from acting basis the Memorandum of Understanding dated February 1, 2019 and terms and conditions.

Thereafter, the Plaintiff filed two Applications: (i) Application under Order VI Rule 17 CPC seeking to amend the plaint in the captioned suit, and (ii) Application under Order VIII Rule 10 CPC seeking closure of

the rights of the Defendants to file their written statement. Subsequently, The Defendants have filed the responses to these Applications.

The Defendants also have filed two applications (i) Application under Order VII Rule 11 CPC seeking rejection of the Plaint (ii) Application under Section 10 CPC seeking stay of the captioned Suit. The Plaintiff has filed their replies to these Applications.

Vide Order dated July 09, 2025 the Hon'ble Court has granted adjournment as the Plaintiff sought time in respect of reply pertaining to the application under Order VIII Rule 10 CPC and directed the parties to come up for arguments on the pending application on November 12, 2025. The matter is pending.

## **II. LITIGATIONS INVOLVING THE SUBSIDIARIES**

### **A. *LITIGATION FILED AGAINST THE SUBSIDIARIES***

#### **1. *Litigation Involving Criminal Matters***

##### ***MG Industries Private Limited***

- (i) ***Complaint dated August 26, 2016 filed by Binsar Industries ("Complainant") against MG Industries Private Limited and Mohit Gupta, its Managing Director (collectively the "Accused") under Sections 138 and 141 of the Negotiable Instruments Act, 1881 before the Hon'ble Additional Chief Judicial Magistrate, Kashipur, District Udham Singh Nagar ("Hon'ble Court")***

A Complaint dated August 26, 2016 was filed by the Complainant under Sections 138 and 141 of the Negotiable Instruments Act, 1881 before the Hon'ble Court against the Accused for dishonour of Cheque No. 421272 dated July 12, 2016 for ₹6,46,390/- (Rupees Six Lakhs Forty-Six Thousand Three Hundred and Ninety only), issued towards partial settlement of outstanding dues.

The said cheque was presented by the Complainant on July 13, 2016 and was returned unpaid the same day with the remark "Exceeds Arrangement." It was alleged that despite service of legal notice dated July 20, 2016 and expiry of the statutory period, no payment was made by the Accused. The Complainant also alleged that the cheque was knowingly issued without sufficient funds and seeks appropriate punishment and compensation. The matter is pending.

##### ***Fresca Recycling Technologies Private Limited***

*Nil*

#### **2. *Litigation Involving Actions by Statutory/Regulatory Authorities***

*Nil*

#### **3. *Litigation/Matters involving Tax Liabilities***

##### **a. *Direct Tax Liabilities***

##### ***MG Industries Limited***

| <b>Sr. No.</b> | <b>Type of Direct Tax</b>           | <b>No. of Cases</b> | <b>Amount in dispute/demanded to the extent ascertainable (in Rs.)</b> | <b>Stage</b>  |
|----------------|-------------------------------------|---------------------|------------------------------------------------------------------------|---------------|
| 1.             | Income Tax for Assessment Year 2017 | 1                   | 58,814 <sup>#</sup>                                                    | Demand raised |

<sup>#</sup>As per the Income Tax Portal.

***Fresca Recycling Technologies Private Limited***

*Nil*

**b. Indirect Tax Liabilities**

***MG Industries Limited***

| <b>Sr. No.</b> | <b>Type of Indirect Tax</b>                         | <b>No. of Cases</b> | <b>Amount in dispute/demanded to the extent ascertainable (in Rs.)</b> | <b>Stage</b>                                                                                                           |
|----------------|-----------------------------------------------------|---------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 1.             | TDS for period from April 1, 2018 to March 31, 2019 | 1                   | 25,730                                                                 | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |
| 2.             | TDS for period from April 1, 2020 to March 31, 2021 | 2                   | 590                                                                    | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |
| 3.             | TDS for period from April 1, 2021 to March 31, 2022 | 3                   | 15,120                                                                 | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |
| 4.             | TDS for period from April 1, 2022 to March 31, 2023 | 4                   | 8,000                                                                  | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |
| 5.             | TDS for period from April 1, 2023 to March 31, 2024 | 5                   | 22,260                                                                 | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |
| 6.             | TDS for period from April 1, 2024 to March 31, 2025 | 6                   | 3,300                                                                  | Intimation of Outstanding Demand dated June 24, 2025 issued by Office of the Income Tax Officer, TDS Ward 75(3), Delhi |

***Fresca Recycling Technologies Private Limited***

*Nil*

**4. Other Pending Litigations**

- (i) *Appeal dated December 23, 2024 bearing Miscellaneous Appeal No. 10032 of 2024 challenging Order dated October 25, 2025 in Case No. COC176/B/WCA/2017 (P.D.) filed by MG Industries Private Limited (“Appellant”) against Rajendra Pal (“Respondent No. 1”) and United India Insurance Co. Limited. (“Respondent No. 2”) before the Hon’ble High Court of Madhya Pradesh, Bench at Gwalior (“Hon’ble High Court”)*

On August 21, 2015, Respondent No. 1, an employee of the Appellant, sustained injury while operating machinery during the course of his employment. Thereafter, vide Case No. COC176/B/WCA/2017 (P.D.), Respondent No. 1 filed compensation claim under Sections 4, 4A, 10 and 22 of the Employees Compensation Act, 1923 (“**EC Act**”) against the Appellant and Respondent No. 2 before the Commissioner for Employees Compensation, Labour Court No. 1, Gwalior (“**Commissioner**”) for seeking Rs. 6,50,680/- (Rupees Six Lakhs Fifty Thousand Six Hundred and Eighty only) as compensation along with penalty and interest. Respondent No. 1 had submitted a medical certificate issued by his treating doctor, which assessed his disability at 40%. The Commissioner passed an Order dated October 25, 2024 (“**Order**”) treating the injury as total disablement and accordingly, under the Order, the Commissioner inter-alia directed as under: (i) Respondent No. 2 was directed to deposit ₹5,00,000/- (Rupees Five Lakhs only) and Appellant to deposit ₹77,941/- (Rupees Seventy- Seven Thousand Nine Hundred and Forty-One only) along with 12% simple interest p.a. on the aforementioned compensation amounts from the date of the accident to Respondent No. 1; (ii) Respondent No. 2 to pay medical expenses amounting to Rs. 16,630/- (Rupees Sixteen Thousand Six hundred and Thirty only) to Respondent No.1; and (iii) the Appellant was also directed to pay penalty which was 50% of the total compensation amount viz. Rs. 5,77,941/- (Rupees Five Lakhs Seventy-Seven Thousand Nine Hundred and Forty-One only).

Subsequently, an Appeal dated December 23, 2024 bearing Miscellaneous Appeal No. 10032 of 2024 (“**Appeal**”) was filed by the Appellant under Section 30 of the EC Act before the Hon’ble High Court challenging the said Order passed by the Commissioner inter-alia on the following grounds: (i) the Commissioner quantified the compensation only on the basis of total disablement without sufficient evidence adduced by Respondent No. 1 (ii); (ii) the Commissioner at its discretion imposed the maximum penalty on the Appellant without assigning any reason which is capricious and arbitrary; (iii) the Commissioner did not consider the evidence of the Appellant; (iv) the Commissioner failed to consider the proviso referred under Section 2(1)(l) of the EC Act; (v) the Commissioner considered the injuries and percentage of loss of earning capacity as provided in Part I and Part II of the Schedule I of the EC Act for quantifying the compensation; and (vi) the Commissioner did not consider the medical evidence nor the admissions of the Respondent No. 1. Thereafter, an Interlocutory Application No. 9333 of 2024 dated December 24, 2024 (“**Interlocutory Application**”) was filed by the Appellant before the Hon’ble High Court praying for a (i) stay on the operation of the Order during the pendency of the Appeal or (ii) any other interim order. Pursuant to the Order dated March 12, 2025 in the said Appeal of the Hon’ble High Court, the matter is be listed post service of the notice. The matter is pending.

## **B. LITIGATIONS FILED BY THE SUBSIDIARIES**

### **1. Litigation Involving Criminal Matters**

*Nil*

### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

*Nil*

### **3. Litigation/Matters involving Tax Liabilities**

#### **a. Direct Tax Liabilities**

*Nil*

#### **b. Indirect Tax Liabilities**

*Nil*

### **4. Other Pending Litigations**

*Nil*

### III. LITIGATIONS INVOLVING THE PROMOTERS

#### A. *LITIGATION FILED AGAINST THE PROMOTERS*

##### 1. Litigation Involving Criminal Matters

*Nil*

##### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

*Nil*

##### 3. Litigation/Matters involving Tax Liabilities

###### a. Direct Tax Liabilities

*Mohit Gupta*

*Nil*

*Manju Gupta*

| Sr. No. | Type of Direct Tax                  | No. of Cases | Amount in dispute/demanded to the extent ascertainable (in Rs.) | Stage         |
|---------|-------------------------------------|--------------|-----------------------------------------------------------------|---------------|
| 1.      | Income Tax for Assessment Year 2024 | 1            | 32,97,958 <sup>#</sup>                                          | Demand raised |

<sup>#</sup>As per the Income Tax Portal.

*Radhika Gupta*

| Sr. No. | Type of Direct Tax                  | No. of Cases | Amount in dispute/demanded to the extent ascertainable (in Rs.) | Stage         |
|---------|-------------------------------------|--------------|-----------------------------------------------------------------|---------------|
| 1.      | Income Tax for Assessment Year 2008 | 1            | 7,50,748 <sup>#</sup>                                           | Demand raised |

<sup>#</sup>As per the Income Tax Portal.

###### b. Indirect Tax Liabilities

*Nil*

##### 4. Other Pending Litigations

*Nil*

#### B. *LITIGATIONS FILED BY THE PROMOTERS*

##### 1. Litigation Involving Criminal Matters

*Nil*

##### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

*Nil*

##### 3. Litigation/Matters involving Tax Liabilities

**c. Direct Tax Liabilities**

*Nil*

**d. Indirect Tax Liabilities**

*Nil*

**4. Other Pending Litigations**

*Nil*

**IV. LITIGATIONS INVOLVING DIRECTORS**

**A. LITIGATION FILED AGAINST OUR DIRECTORS**

**1. Litigation Involving Criminal Matters**

*Nil*

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

*Nil*

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

Except as stated in the chapter “*Outstanding Litigation and Material Developments- Litigations involving The Promoters- A. Litigation filed against the Promoters- 3. Litigation/Matters involving Tax Liabilities- a. Direct Tax Liabilities*” on page no. 300 of this Draft Red Herring Prospectus, there are no other direct tax litigations filed against our Directors.

**b. Indirect Tax Liabilities**

*Nil*

**4. Other Pending Litigations**

*Nil*

**B. LITIGATIONS FILED BY THE DIRECTORS**

**1. Litigation Involving Criminal Matters**

*Nil*

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

*Nil*

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

*Nil*

**b. Indirect Tax Liabilities**

*Nil*

**4. Other Pending Litigations**

*Nil*

**V. LITIGATIONS INVOLVING THE KEY MANAGERIAL PERSONNEL**

**A. *LITIGATIONS FILED AGAINST THE KEY MANAGERIAL PERSONNEL***

**1. Litigation Involving Criminal Matters**

*Nil*

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

*Nil*

**B. *LITIGATIONS FILED BY THE KEY MANAGERIAL PERSONNEL***

**1. Litigation Involving Criminal Matters**

*Nil*

**VI. LITIGATIONS INVOLVING THE SENIOR MANAGEMENT**

**A. *LITIGATION FILED AGAINST THE SENIOR MANAGEMENT***

**1. Litigation Involving Criminal Matters**

*Nil*

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

*Nil*

**B. *LITIGATIONS FILED BY THE SENIOR MANAGEMENT***

**1. Litigation Involving Criminal Matters**

*Nil*

**VII. Litigation involving our Group Companies which may have a material impact on the Company**

Our Group Companies are not currently party to any pending litigations which would have a material impact on our Company.

**VIII. Disciplinary action against our Company and Promoters by SEBI or any stock exchange in the last five Financial Years**

As on the date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last 5 (five) financial years including any outstanding action.

**IX. Outstanding dues to creditors**

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2025, are set out below:

(Amount in ₹ lakhs)

| <b>Types of creditors</b>           | <b>Number of creditors</b> | <b>Amount involved</b> |
|-------------------------------------|----------------------------|------------------------|
| Micro, Small and Medium Enterprises | Nil                        | -                      |
| Material Creditors                  | 2                          | 547.66                 |
| Other creditors                     | 265                        | 738.19                 |
| <b>Total</b>                        | <b>267</b>                 | <b>1,285.85</b>        |

*As certified by Ashwani & Associates, the Statutory Auditor of our Company, by way of their certificate dated July 31, 2025.*

**X. Material developments occurring after last balance sheet date.**

Except as disclosed elsewhere in this Draft Red Herring Prospectus and in the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 272, there have been no material developments since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus.

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## GOVERNMENT AND STATUTORY APPROVALS

We have set out below an indicative list of approvals obtained by our Company and our Material Subsidiary which are considered material and necessary for the purpose of undertaking their respective business activities. Other than as stated below, no further material approvals from any regulatory authority are required for carrying on the present business activities of our Company and our Material Subsidiary. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company and our Material Subsidiary have either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications.

In relation to the business activities and operations of our Company and our Material Subsidiary, we have also disclosed below the material approvals applied for but not received. For details in connection with the applicable regulatory and legal framework within which we operate, see “Key Regulations and Policies in India” page 197 of this Draft Red Herring Prospectus.

### I. APPROVAL FOR THE ISSUE

1. The Board of Directors have, by a resolution passed at its meeting held on June 16, 2025 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, by a special resolution passed in the Extra-ordinary General Meeting held on June 18, 2025 authorized the Issue.
3. In-principle approval dated [●], 2025 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company’s International Securities Identification Number (“ISIN”) is INE1DHT01017.

### II. INCORPORATION RELATED APPROVALS

#### A. Approvals obtained by the Company

1. Certificate of Incorporation dated June 23, 2004 issued by the Assistant Registrar of Companies, N.C.T. of Delhi and Haryana in the name of “*Matangi Rubber Private Limited*”.
2. A fresh Certificate of Incorporation consequent upon conversion into public company from “*Matangi Rubber Private Limited*” to “*Matangi Rubber Limited*” was issued on November 26, 2024 by the Registrar of Companies, Central Registration Centre.
3. The CIN of the Company is U74999DL2004PLC127108.

For further details of the incorporation of our Company, see “*History and Certain Corporate Matters – Brief History of our Company*” on page 206.

#### B. Approvals obtained by our Material Subsidiary, MG Industries Limited

1. Certificate of Incorporation dated January 07, 1997 issued by Assistant Registrar of Companies, N.C.T. of Delhi and Haryana in the name of “*MG Industries Private Limited*”.
2. A fresh Certificate of Incorporation consequent upon conversion into public company from “*MG Industries Private Limited*” to “*MG Industries Limited*” was issued on September 13, 2024 by the Registrar of Companies, Central Registration Centre.
3. The CIN of MG Industries Limited is U25111DL1997PLC084285.

For further details of MG Industries Limited, see “*Subsidiary of our Company*” on page 208.

### III. BUSINESS RELATED APPROVALS

#### A. Approvals obtained by the Company

1. Certificate of Legal Entity Identifier bearing code no. 984500E87E5CA73F3C85 issued by Legal Entity Identifier India Limited. The certificate is valid till September 16, 2025.
2. Importer-Exporter Code issued to the Company bearing no. 0507089961 by Directorate General of Foreign Trade under Ministry of Commerce and Industry. The certificate is issued on March 13, 2008.
3. Udyam Registration Certificate bearing no. UDYAM-UK-05-0000541 issued to the Company by the Ministry of Micro, Small and Medium Enterprises having the below mentioned National Industry Classification Code for the manufacturing of the following:

| S. No. | NIC 2 Digit                                      | NIC 4 Digit                                                                             | NIC 5 Digit                                          | Activity      |
|--------|--------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------|---------------|
| 1.     | 22 - Manufacture of rubber and plastics products | 2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres | 22119 - Manufacture of rubber tyres and tubes n.e.c. | Manufacturing |
| 2.     | 22 - Manufacture of rubber and plastics products | 2220 - Manufacture of plastics products                                                 | 22209 - Manufacture of other plastics products n.e.c | Manufacturing |

4. License (Form No. E) to purchase or acquire rubber bearing license no. M300040 on April 13, 2023 issued to the Company by the Assistant Secretary/ Deputy Director (Excise Duty), Department of Licensing & Excise Duty, Kottayam-686002, Kerala. The license is valid till March 31, 2028. This license states that the Company is authorized to purchase or otherwise acquire the below mentioned quantities of rubber from estate or licensed dealers or processors in India which is as under:

| Group Name   | Tonnes/Kg.    |               |               |               |               |
|--------------|---------------|---------------|---------------|---------------|---------------|
|              | 2023-2024     | 2024-2025     | 2025-2026     | 2026-2027     | 2027-2028     |
| Sheet-RSS    | 1000.t        | 1000.t        | 1000.t        | 1000.t        | 1000.t        |
| <b>Total</b> | <b>1000.t</b> | <b>1000.t</b> | <b>1000.t</b> | <b>1000.t</b> | <b>1000.t</b> |

This license is issued in relation to the below mentioned premises of the Company:

| Sr. No. | Office/ Factory/ Storage | Address details                                                                                   |
|---------|--------------------------|---------------------------------------------------------------------------------------------------|
| 1.      | Office                   | Unit No. 401, 4TH Floor, Southern Park, Saket District Center, Saket (South Delhi), Delhi- 110017 |
| 2.      | Factory                  | Khasra no. 1036, 1038 & 1039 Camp Road, Central Hopetown, Selaqui- 248197, Dehradun, Uttarakhand  |
|         |                          | No. 31 & 32, SIDCO Industrial Estate, Gummidipoondi, Ponneri(C), Thiruvallur- 601201, Tamil Nadu  |
|         |                          | Plot no 78, Industrial Area Malanpur, Gohad, Bhind- 477117, Madhya Pradesh                        |
| 3.      | Storage                  | Khasra no. 1036, 1038 & 1039 Camp Road, Central Hopetown, Selaqui- 248197, Dehradun, Uttarakhand  |

5. Certificate of Enhancement of Licensed Quantity bearing certificate no. 10071505 and license no. M300040 issued to the Company by Assistant Secretary/ Deputy Director, Department of Licensing & Excise Duty

Kottayam- 686002, Kerala on May 14, 2025 for authorizing to purchase an additional quantity of rubber. This certificate is valid till March 31 2028. This certificate states additional quantity of rubber as under:

| Grade of Rubber | Quantity (tonne) |
|-----------------|------------------|
|                 | 2025-2026        |
| RSS 5           | 2000.0t          |
| <b>Total</b>    | <b>2000.0t</b>   |

➤ **UTTARAKHAND**

- i. *Approvals obtained by the Company for the manufacturing plant located at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.*

| S. No. | Description                                                                                                                                                                                                 | Registration/ Approval/ Certificate/Letter Number               | Issuing Authority                                                            | Date of Issue    | Date of Expiry    |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------------------|------------------|-------------------|
| 1.     | Factory License granted to the Company.<br><br><b>Particulars:</b><br>(a) Maximum number of workers to be employed on any day during the year: 150 persons<br>(b) Maximum installed power in H.P.: 500 H.P. | DDN-734                                                         | Chief Inspector of Factories, Uttarakhand                                    | January 01, 2024 | December 31, 2025 |
| 2.     | Approval issued to the Company for additional load of 350 KVA @ 33/11 KV with the total load granted is 850 KVA.*                                                                                           | -                                                               | Power Distribution Board (Gra.), Divisional Committee, Dehradun              | July 25, 2019    | -                 |
| 3.     | Fire Safety Certificate (No Objection Certificate) issued to the Company.                                                                                                                                   | N-20/Asuvya (1244)/22-23                                        | Chief Fire Officer, Dehradun                                                 | November 5, 2022 | November 4, 2025  |
| 4.     | Letter Certificate of Competency under Sections 21, 28, 29, 31 and 87 of the Factories Act, 1948.                                                                                                           | 31 F / Sa vya / Section-21,28,29,31, 87                         | Chief Factory Inspector, Uttarakhand, Shram Bhawan, Nainital Road, Haldwani. | January 15, 2024 | December 31, 2025 |
| 5.     | Certificate of Competency under Section 21 of the Factories Act, 1948.                                                                                                                                      | 31F/ S. Pr. Uttarakhand/Section -21(2)/ Dangerous Machines/2023 | Chief Factory Inspector, Uttarakhand, Shram Bhawan, Haldwani Nainital.       | January 15, 2024 | December 31, 2025 |
| 6.     | Certificate of Competency under Section 28 of the Factories Act, 1948.                                                                                                                                      | 31F/ S. Pr. Uttarakhand/Section -28/ Lift and hoist/2023        | Chief Factory Inspector, Uttarakhand, Shram                                  | January 15, 2024 | December 31, 2025 |

|                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                               | Bhawan,<br>Haldwani<br>Nainital.                                       |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------|----------|---|----------|-----|----------|-----|---------|----|-----------------|---------|----|---------------|--|---------------------------|--|------------------|----------|--|----------|--|---------|--|---------------|--------|--|--------|--|---------|--|------------------------------------|----------------------------------------------------|------------------|--------------|
| 7.                                                                                                      | Certificate of Competency under Section 29 of the Factories Act, 1948.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 31F/ S. Pr. Uttarakhand / Section-29 / Lifting Tackles / 2023 | Chief Factory Inspector, Uttarakhand, Shram Bhawan, Haldwani Nainital. | January 15, 2024 | December 31, 2025                                                                                       |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| 8.                                                                                                      | Certificate of Competency under Section 31 of the Factories Act, 1948.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 31F/ S. Pr. Uttarakhand / Section-31 / Pre. Plant / 2023      | Chief Factory Inspector, Uttarakhand, Shram Bhawan, Haldwani Nainital. | January 15, 2024 | December 31, 2025                                                                                       |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| 9.                                                                                                      | Certificate of Competency under Section 87 of the Factories Act, 1948.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 31F/ S. Pr. Uttarakhand / Section-87 / “Ventilation” / 2023   | Chief Factory Inspector, Uttarakhand, Shram Bhawan, Haldwani Nainital. | January 15, 2024 | December 31, 2025                                                                                       |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| 10.                                                                                                     | Certificate of verification issued under the Legal Metrology Act, 2009.<br><br><b>Particular:</b> <table><tr><th>Particulars</th><th colspan="2">Quantity (Capacity)</th></tr><tr><td rowspan="4">Electronic Weighing Machine (S No. 252121036, 252121427, 1428, 1429, -2521211840, -252121770, 771, -07)</td><td>Capacity</td><td>@</td></tr><tr><td>200kg 01</td><td>10g</td></tr><tr><td>150kg 03</td><td>10g</td></tr><tr><td>30kg 01</td><td>2g</td></tr><tr><td rowspan="3">Processing Tank</td><td>20kg 02</td><td>1g</td></tr><tr><td colspan="2">200 litres 01</td></tr><tr><td colspan="2">Capacity: 60 Litres/month</td></tr><tr><td rowspan="3">Water flow meter</td><td colspan="2">10 mm 01</td></tr><tr><td colspan="2">25 mm 01</td></tr><tr><td colspan="2">10kg 01</td></tr><tr><td rowspan="3">S. S. Weights</td><td colspan="2">5kg 01</td></tr><tr><td colspan="2">2kg 01</td></tr><tr><td colspan="2">10kg 01</td></tr></table> | Particulars                                                   | Quantity (Capacity)                                                    |                  | Electronic Weighing Machine (S No. 252121036, 252121427, 1428, 1429, -2521211840, -252121770, 771, -07) | Capacity | @ | 200kg 01 | 10g | 150kg 03 | 10g | 30kg 01 | 2g | Processing Tank | 20kg 02 | 1g | 200 litres 01 |  | Capacity: 60 Litres/month |  | Water flow meter | 10 mm 01 |  | 25 mm 01 |  | 10kg 01 |  | S. S. Weights | 5kg 01 |  | 2kg 01 |  | 10kg 01 |  | PSU (RE) 01<br>VSD/54-07-2022-1000 | Legal Metrology Officer, Transport Nagar, Dehradun | January 03, 2025 | May 02, 2026 |
| Particulars                                                                                             | Quantity (Capacity)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| Electronic Weighing Machine (S No. 252121036, 252121427, 1428, 1429, -2521211840, -252121770, 771, -07) | Capacity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | @                                                             |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 200kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 10g                                                           |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 150kg 03                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 10g                                                           |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 30kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2g                                                            |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| Processing Tank                                                                                         | 20kg 02                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1g                                                            |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 200 litres 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | Capacity: 60 Litres/month                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| Water flow meter                                                                                        | 10 mm 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 25 mm 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 10kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
| S. S. Weights                                                                                           | 5kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 2kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |
|                                                                                                         | 10kg 01                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                               |                                                                        |                  |                                                                                                         |          |   |          |     |          |     |         |    |                 |         |    |               |  |                           |  |                  |          |  |          |  |         |  |               |        |  |        |  |         |  |                                    |                                                    |                  |              |

|  |  |                  |  |  |  |  |
|--|--|------------------|--|--|--|--|
|  |  | <u>1kg</u><br>01 |  |  |  |  |
|--|--|------------------|--|--|--|--|

\*The above-mentioned approval is in the earlier name of the Company i.e. Matangi Rubber Private Limited.

➤ **TAMIL NADU**

- i. **Approvals obtained by our Company for the manufacturing plant located at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.**

| S. No. | Description                                                                                                                                                                                                                                                                            | Registration/ Approval/ Certificate Number                                                                   | Issuing Authority                                                    | Date of Issue                                   | Date of Expiry    |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------|-------------------|
| 1.     | Factory License granted to the Company.<br><br><b>Particulars:</b><br>(a) Maximum number of workers to be employed on any day during the year: 50 workers.<br>(b) Maximum installed power in H.P.: 500 H.P.                                                                            | TVR13266                                                                                                     | Government Of Tamil Nadu Directorate of Industrial Safety and Health | June 26, 2025.                                  | December 31, 2025 |
| 2.     | Certificate of Stability issued under Rule 12B (3) of the Tamil Nadu Factories Rule, 1950.<br><br><b>Particulars:</b><br>(i) <b>Nature of manufacturing:</b> Manufacturing of rubber products<br>(ii) <b>Office area:</b> First Floor<br>(iii) <b>Manufacturing area:</b> Ground Floor | -                                                                                                            | A. Ravi B. Tech., Competent Person (Authorised by DISH)              | March 27, 2024                                  | March 26, 2027    |
| 3.     | Renewal of Fire License issued under Section 13 of the Tamil Nadu Fire and Rescue Service Act, 1985 for manufacturing of rubber flaps.                                                                                                                                                 | 4137/RFL/NMS B/2025                                                                                          | District Office, Fire and Rescue Service, Tiruvallur District.       | <b>Date of Issue/Valid from:</b> April 21, 2025 | April 20, 2028    |
| 4.     | Certificate of verification issued under the Legal Metrology Act, 2009 issued for the said premises.<br><br><b>Particulars:</b><br>(i) <b>Items:</b> Non-Automatic Weighing Instruments- Electronic Class III and IIII,                                                                | <b>CV No.:</b> TVR/566/06323 8<br><br><b>Trader No.:</b> LABUID/TNL M/1366538<br><br><b>Punch No.:</b> TN566 | Stamping Inspector, Thiruvottiyur                                    | July 14, 2025                                   | July 13, 2026     |

|    |                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                           |                                   |               |               |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------|---------------|
|    | (ii) <b>Weights:</b> Min. 100g and Max. 30 kgs,<br>(iii) <b>Type:</b> Model MW-30,<br>(iv) <b>Machine No.:</b> 11551-21.                                                                                                                                                                                                                            | <b>Plier No.:</b> 566                                                                                                                     |                                   |               |               |
| 5. | Certificate of verification issued under the Legal Metrology Act, 2009 issued for the said premises.<br><br><b>Particulars:</b><br>(i) <b>Items:</b> Non-Automatic Weighing Instruments-Electronic Class III and IIII,<br>(ii) <b>Weights:</b> Min. 100g and Max. 30kgs,<br>(iii) <b>Type:</b> Model MW-30,<br>(iv) <b>Machine No.:</b> 7268-21.    | <b>CV No.:</b> TVR/566/06323 9<br><br><b>Trader No.:</b> LABUID/TNL M/1366538<br><br><b>Punch No.:</b> TN566<br><br><b>Plier No.:</b> 566 | Stamping Inspector, Thiruvottiyur | July 14, 2025 | July 13, 2026 |
| 6. | Certificate of verification issued under the Legal Metrology Act, 2009 issued for the said premises.<br><br><b>Particulars:</b><br>(i) <b>Items:</b> Non-Automatic Weighing Instruments-Electronic Class III and IIII,<br>(ii) <b>Weights:</b> Min. 1kg and Max. 300kgs,<br>(iii) <b>Type:</b> Model: VT-300,<br>(iv) <b>Machine No.:</b> 907-2411. | <b>CV No.:</b> TVR/566/06324 0<br><br><b>Trader No.:</b> LABUID/TNL M/1366538<br><br><b>Punch No.:</b> TN566<br><br><b>Plier No.:</b> 566 | Stamping Inspector, Thiruvottiyur | July 14, 2025 | July 13, 2026 |
| 7. | Certificate of verification issued under the Legal Metrology Act, 2009 issued for the said premises.<br><br><b>Particulars:</b><br>(i) <b>Items:</b> Non-Automatic Weighing Instruments-Electronic Class III and IIII,<br>(ii) <b>Weights:</b> Min. 1kg and Max. 500kgs,<br>(iii) <b>Type:</b> Model: JW-500,<br>(iv) <b>Machine No.:</b> 911-2414. | <b>CV No.:</b> TVR/566/06324 1<br><br><b>Trader No.:</b> LABUID/TNL M/1366538<br><br><b>Punch No.:</b> TN566<br><br><b>Plier No.:</b> 566 | Stamping Inspector, Thiruvottiyur | July 14, 2025 | July 13, 2026 |

➤ **MADHYA PRADESH**

- i. Approvals obtained by the Company for premises at Plot No. 78, Gohad Industrial Area, Malanpur Industrial Area, Gwalior Bhind Road, Malanpur-477117, District- Bhind, Madhya Pradesh.

| S. No. | Description                                                                                                                                                                                                     | Registration/ Approval/ Certificate/ Dispatch Number                                | Issuing Authority                            | Date of Issue | Date of Expiry    |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------|---------------|-------------------|
| 1.     | License to work a factory issued to the Company for the premises located at Plot No. 78, Gohad Industrial Area, Malanpur Industrial Area, Gawalior Bhind Road, Malanpur-477117, District-Bhind, Madhya Pradesh. | <b>License No.</b><br>254/18577/BHD/2m(i)/H<br><br><b>Factory Id:</b><br>FAC2526798 | Chief Inspector of Factories, Madhya Pradesh | June 22, 2025 | December 31, 2025 |

➤ **DELHI**

- i. Approvals obtained by our Company for our registered office located at 4<sup>th</sup> Floor, Unit No. 401, Southern Park, Saket District Centre, New Delhi, Delhi, 110017.

*Nil*

**B. Approvals obtained by our Material Subsidiary, MG Industries Limited**

- Certificate of Legal Entity Identifier bearing code no. 9845004752B8AA85EA72 issued to MG Industries Private Limited by Legal Entity Identifier India Limited. The certificate is valid till September 19, 2027.
- Importer-Exporter Code issued to MG Industries Private Limited bearing no. 0502029048 by Directorate General of Foreign Trade under Ministry of Commerce and Industry. The certificate is issued on August 05, 2002.
- Udyam Registration Certificate bearing no. UDYAM-MP-09-0008020 issued to MG Industries Limited by the Ministry of Micro, Small and Medium Enterprises having the below mentioned National Industry Classification Code for the manufacturing of the following:

| S. No. | NIC 2 Digit                                      | NIC 4 Digit                                                                             | NIC 5 Digit                                                                                                                    | Activity      |
|--------|--------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------|
| 1.     | 22 - Manufacture of rubber and plastics products | 2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres | 22111- Manufacture of rubber tyres and tubes for motor vehicles, motorcycles, scooters, three-wheelers, tractors and aircraft. | Manufacturing |
| 2.     | 22 - Manufacture of rubber and plastics products | 2219 - Manufacture of other rubber products                                             | 22199 - Manufacture of other rubber products n.e.c                                                                             | Manufacturing |

- (i) Approvals obtained by MG Industries Limited for premises at Plot no. 8, Malanpur Industries Area, Bhind Road, Malanpur.

| S. No. | Description                                                                 | Registration/ Approval/ Certificate Number                                        | Issuing Authority                                        | Date of Issue | Date of Expiry    |
|--------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------|---------------|-------------------|
| 1.     | Factory License granted to MG Industries Limited<br><br><b>Particulars:</b> | <b>License No:</b><br>8/10579/BHD/2m(i)/H<br><br><b>Factory Id:</b><br>FAC1509765 | Additional Chief Inspector of Factories, Madhya Pradesh. | May 27, 2024  | December 31, 2025 |

|    |                                                                                                                                                                                                                                                   |                                      |                                                                                     |                                                                                      |                          |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------|
|    | <p>(i) <i>Manufacturing of: Rubber Tube</i></p> <p>(ii) <i>Maximum number of workers to be employed on any day during the year: 250 workers</i></p> <p>(iii) <i>Maximum installed power in H.P.: 2,000 H.P.</i></p>                               |                                      |                                                                                     |                                                                                      |                          |
| 2. | <p>Supplementary Agreement for enhancement in contract demand executed between Madhya Kshetra Viduat Vitran Company Limited and Panchasheela Rubber (MG Industries Private Limited) for raising power supply from 595 KVA to 950 KVA @ 33KV.*</p> | -                                    | <p>General Manager (O&amp;M) M.P.M.K.V.V. Co. Ltd. Gwalior</p>                      | <p><b>Date of Agreement:</b> May 10, 2022</p> <p><b>Valid from:</b> May, 11 2022</p> | -                        |
| 3. | <p>Certificate of Registration under Rule 27 of the Legal Metrology (Packaged Commodities) Rules, 2011 issued to MG Industries Limited.</p> <p><b>Particulars</b><br/>Commodities<br/>Packed: 2 Wheeler<br/>Butyl Tube</p>                        | MRA/PL/156/2025/<br>M.P./ BPL./ 2025 | <p>Assistant Controller Murana, Forensic Metrology Government of Madhya Pradesh</p> | July 17, 2025                                                                        | Valid until cancellation |

\*This approval is in the erstwhile name of MG Industries Limited i.e. MG Industries Private Limited.

- (ii) **Approvals obtained by MG Industries Limited for the registered office of MG Industries Limited located at Office No.401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, New Delhi- 110017.**

Nil

- (iii) **Approvals obtained by MG Industries Limited for the manufacturing plant located at Khasra No. 1029 & 1040, Central Hope Town, Pargana Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand.**



| S. No. | Description                                                                                                                                                                                            | Registration/ Approval/ Certificate Number | Issuing Authority                                      | Date of Issue | Date of Expiry |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------|---------------|----------------|
| 1.     | Approved proposed industrial building for the Company at premises situated at Khasra no.1029 & 1040, situated at Village Central Hope Town, Pargana Western Doon, Tehsil Vikas Nagar, Distt. Dehradun. | -                                          | Registered Structural Engineer 'Grade-I' And Architect | May 19, 2025  | -              |

#### IV. QUALITY CERTIFICATIONS

##### A. Approvals obtained by the Company

1. Certificate of Registration bearing no. AB09IS153230/R1 dated September 10, 2024 issued by Breakthrough Management Quality Registrar to the Company for its manufacturing unit located at DP No. 31 & 32, SIDCO Industries Estate, Gummidipoondi, Thiruvallur, District- 601 201, Tamil Nadu for being in compliance with the requirements of the standard ISO 9001:2015 for the scope of manufacturing and supply of automotive tyre flaps. The certificate is valid till September 09, 2027.

##### B. Approvals obtained by our Material Subsidiary, MG Industries Limited

1. Certificate bearing registration no. 12 111 65964 TMS and IATF Certificate No.: 0476695 dated June 16, 2023 issued to MG Industries Private Limited by TÜV SÜD Management Service GmbH for its premises located at Plot no 8, Industrial area, Malanpur, District- Bhind-M.P.- 477117, India for establishing and applying a Quality Management System for Manufacturing of Inner Butyl Rubber Tubes and being in compliance with requirements according to IATF 1649. The certificate is valid till June 15, 2026.\*

*\*This approval is in the erstwhile name of MG Industries Limited i.e. MG Industries Private Limited.*

#### V. TAX RELATED APPROVALS

##### A. Approvals obtained by the Company

1. The Company has been allotted Permanent Account Number (PAN) bearing no. AAECM3222B.
2. The Company has been allotted Tax Deduction and Collection Account Number (TAN) bearing no. DELM13124G.
3. The following are the GST registrations obtained by our Company:

| S. No.       | Description                                                                                                   | Registration/ Approval/ Certificate Number | Issuing Authority   | Date of Issue                | Date of Expiry        |
|--------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------|------------------------------|-----------------------|
| <b>Delhi</b> |                                                                                                               |                                            |                     |                              |                       |
| 1.           | Certificate of registration issued to the Company under the provisions of Central Goods and Services Tax Act, | 07AAECM3222B 2Z3                           | Government of India | Date of issue: June 24, 2025 | Valid until cancelled |

| S. No.                | Description                                                                                                                                                                                                                                                  | Registration/ Approval/ Certificate Number | Issuing Authority   | Date of Issue                                                                     | Date of Expiry        |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------|-----------------------------------------------------------------------------------|-----------------------|
|                       | 2017 for having principal place of business at 4 <sup>th</sup> Floor, Unit No. 401, Southern Park, Select Citywalk-Back Gate, Saket District Centre, New Delhi, South Delhi, Delhi-110017.                                                                   |                                            |                     | <b>Date of validity from:</b> October 23, 2017                                    |                       |
| <b>Madhya Pradesh</b> |                                                                                                                                                                                                                                                              |                                            |                     |                                                                                   |                       |
| 2.                    | Certificate of registration issued to the Company under the provisions of Central Goods And Services Tax Act, 2017 for having principal place of business at Plot No. 78, Gwalior Bhind Road, Gohad, Industrial Area Malanpur, Bhind, Madhya Pradesh-477117. | 23AAECM3222B 1ZA                           | Government of India | Date of issue: September 01, 2025<br><br>Date of Validity From: February 21, 2023 | Valid until cancelled |
| <b>Tamil Nadu</b>     |                                                                                                                                                                                                                                                              |                                            |                     |                                                                                   |                       |
| 3.                    | Certificate of registration issued to the Company under the provisions of Central Goods and Services Tax Act, 2017 for having principal place of business at No.31 And 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu-601201.  | 33AAECM3222B 1Z9                           | Government of India | Date of issue: June 25, 2025.<br><br>Date of Validity From: July 1, 2017.         | Valid until cancelled |
| <b>Uttarakhand</b>    |                                                                                                                                                                                                                                                              |                                            |                     |                                                                                   |                       |
| 4.                    | Certificate of registration issued to the Company under the provisions of Central Goods and Services Tax Act, 2017 for having principal place of business at Khasra No. 1036,1038,1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.   | 05AAECM3222B 1Z8                           | Government of India | Date of issue: December 27, 2024.<br><br>Date of Validity From: July 1, 2017.     | Valid until cancelled |

4. The various registrations obtained in respect of professional tax by our Company are as follows:

➤ **TAMIL NADU**

- i. *Approvals obtained by the Company for the manufacturing plant located at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.*

*Nil*

➤ **MADHYA PRADESH**

- i. *Approvals obtained by the Company for premises at 78 and 80, Industrial Area Malanpur, Malanpur, Bhind, Madhya Pradesh, 477117.*

| S. No. | Description                                                                                                           | Registration/ Approval/ Certificate Number | Issuing Authority                                   | Date Of Issue     | Date Of Expiry        |
|--------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------|-------------------|-----------------------|
| 1.     | Certificate of Registration (for employer) issued under the Madhya Pradesh Vritti Kar Adhiniyam, 1995 to the Company. | 79199025959                                | Professional Tax Assessing Authority, Gwalior Div-2 | December 05, 2023 | Valid until cancelled |
| 2.     | Certificate of Registration (for employer) issued under the Madhya Pradesh Vritti Kar Adhiniyam, 1995 to the Company  | 78359289138                                | Professional Tax Assessing Authority, Gwalior Div-2 | December 05, 2023 | Valid until cancelled |

**B. Approvals obtained by our Material Subsidiary, MG Industries Limited**

1. MG Industries Limited has been allotted Permanent Account Number (PAN) bearing no. AACCM5567B.
2. MG Industries Limited has been allotted Tax Deduction and Collection Account Number (TAN) bearing no. DELM10192A.
3. The following are the GST registrations obtained by MG Industries Limited:

| S. No.                | Description                                                                                                                                                                                                                                                                                                        | Registration/ Approval/ Certificate Number | Issuing Authority   | Date of Issue                                                                             | Date of Expiry        |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------------|-------------------------------------------------------------------------------------------|-----------------------|
| <b>Delhi</b>          |                                                                                                                                                                                                                                                                                                                    |                                            |                     |                                                                                           |                       |
| 1.                    | Certificate of registration issued to MG Industries Limited under the provisions of Central Goods and Services Tax Act, 2017 for having principal place of business at 4 <sup>th</sup> Floor, Unit No. 401, Southern Park, Select Citywalk-Back Gate, Saket District Centre, New Delhi, South Delhi, Delhi-110017. | 07AACCM5567B1ZM                            | Government of India | <b>Date of issue:</b> May 08, 2025<br><br><b>Date of validity from:</b> June 01, 2017     | Valid until cancelled |
| <b>Uttarakhand</b>    |                                                                                                                                                                                                                                                                                                                    |                                            |                     |                                                                                           |                       |
| 2.                    | Certificate of registration issued to MG Industries Limited under the provisions of Central Goods and Services Tax Act, 2017 for having principal place of business at Khasra no 1029 and 1040, Central Hope Town, Pargana Camp Road, Vikas Nagar, Selaqui Industrial Area, Selaqui, Dehradun, Uttarakhand-248001. | 05AACCM5567B1ZQ                            | Government of India | <b>Date of issue:</b> March 11, 2025<br><br><b>Date of validity from:</b> August 23, 2023 | Valid until cancelled |
| <b>Madhya Pradesh</b> |                                                                                                                                                                                                                                                                                                                    |                                            |                     |                                                                                           |                       |
| 3.                    | Certificate of registration issued to MG Industries Limited under the                                                                                                                                                                                                                                              | 23AACCM5567B1ZS                            | Government of India | <b>Date of issue:</b>                                                                     | Valid until cancelled |

| S. No. | Description                                                                                                                                                                                        | Registration/ Approval/ Certificate Number | Issuing Authority | Date of Issue                                                    | Date of Expiry |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------|------------------------------------------------------------------|----------------|
|        | provisions of Central Goods and Services Tax Act, 2017 for having principal place of business at Plot No.8, Gwalior Bhind Road, Malanpur, Industrial Area Malanpur, Bhind, Madhya Pradesh- 477117. |                                            |                   | March 13, 2025<br><br><b>Date of validity from:</b> June 01,2017 |                |

## VI. LABOUR RELATED APPROVALS

### A. Approvals obtained by the Company

- Letter dated February 06, 2015 issued under the Employee Provident Fund and Miscellaneous Provisions Act, 1952 for allotment of code bearing no. UKDDN0034297000 to the Company.

| S. No.      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Registration/ Approval/ Certificate/Code Number          | Issuing Authority                                       | Date of Issue                                            | Date of Expiry        |                       |    |    |                     |    |                |                                                                    |               |                       |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------|-----------------------|-----------------------|----|----|---------------------|----|----------------|--------------------------------------------------------------------|---------------|-----------------------|
| Uttarakhand |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                          |                                                         |                                                          |                       |                       |    |    |                     |    |                |                                                                    |               |                       |
| 1.          | Letter of Implementation issued under Employees’ State Insurance Act, 1948 for premises situated at Khasra No. 1036, 1038 & 1039, Industrial Area, Camp Road Industrial Area, Selaqui, Dehradun, 248197.                                                                                                                                                                                                                                                                                                                                                                                                        | 61000041520000204                                        | Regional Office, Employees’ State Insurance Corporation | October 28, 2010                                         | Valid until cancelled |                       |    |    |                     |    |                |                                                                    |               |                       |
| 2.          | <p>Certificate of Registration under the Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.</p> <p><i>Nature of work: Manufacturing of automotive tyre flaps</i></p> <p><i>Particulars of Contractors:</i></p> <table><tr><th>Sr. No.</th><th>Name of the contractors</th><th>Maximum no. of contract labour to be employed on any day</th></tr><tr><td>1.</td><td>Pawan Hans Associates</td><td>35</td></tr><tr><td>2.</td><td>Aradhiya Integrated</td><td>30</td></tr></table> | Sr. No.                                                  | Name of the contractors                                 | Maximum no. of contract labour to be employed on any day | 1.                    | Pawan Hans Associates | 35 | 2. | Aradhiya Integrated | 30 | UKCLADDN000159 | Office of the Registering Officer, Labour Department, Uttarakhand. | June 25, 2025 | Valid until cancelled |
| Sr. No.     | Name of the contractors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Maximum no. of contract labour to be employed on any day |                                                         |                                                          |                       |                       |    |    |                     |    |                |                                                                    |               |                       |
| 1.          | Pawan Hans Associates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 35                                                       |                                                         |                                                          |                       |                       |    |    |                     |    |                |                                                                    |               |                       |
| 2.          | Aradhiya Integrated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 30                                                       |                                                         |                                                          |                       |                       |    |    |                     |    |                |                                                                    |               |                       |

| S. No.     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                            |    | Registration/ Approval/ Certificate/Code Number | Issuing Authority                                                                | Date of Issue                                                                            | Date of Expiry           |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----|-------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------|
|            |                                                                                                                                                                                                                                                                                                                                                                                                                                               | Manpower Solutions                         |    |                                                 |                                                                                  |                                                                                          |                          |
|            | 3.                                                                                                                                                                                                                                                                                                                                                                                                                                            | Executive Protection Force Private Limited | 10 |                                                 |                                                                                  |                                                                                          |                          |
| 3.         | License issued to Aradhiya Integrated Manpower Solutions a Contractor of the Company under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.<br><br><b>Particulars of work:</b> Loading & Unloading, Driver, Pantry, Horticulture, Production Assistant, Material Shifting, Housekeeping |                                            |    | UKCLALDDN001872                                 | Licensing Officer, Labour Department, Government of Uttarakhand                  | <b>License date:</b> July 02, 2025<br><br><b>Date of Issuing/ renewal:</b> June 01, 2025 | May 31, 2026             |
| 4.         | License issued to Pawan Hans Associates a Contractor of the Company under Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.<br><br><b>Particulars of work:</b> Loading & Unloading, Driver, Pantry, Horticulture, Production Assistant, Material Shifting, Housekeeping                  |                                            |    | UKCLALDDN001874                                 | Licensing Officer, Labour Department, Government of Uttarakhand                  | <b>License date:</b> July 11, 2025<br><br><b>Date of Issuing/ renewal:</b> July 01, 2025 | June 30, 2026            |
| Tamil Nadu |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                            |    |                                                 |                                                                                  |                                                                                          |                          |
| 1.         | Letter of Implementation issued under Employees’ State Insurance Act, 1948 for premises situated at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.                                                                                                                                                                                                                                       |                                            |    | 51002610470000204                               | ESI Corporation, Panchdeep Bhawan, 143, Sterling Road, Chennai-600034            | July 10, 2025                                                                            | Valid until cancelled    |
| 3.         | Certificate of Registration issued under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970 for the premise situated at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.*<br><br><b>Particulars:</b><br><b>(i) Nature of work carried at the establishment by the Principal</b>                                                                                      |                                            |    | CLA/R/TVR13266                                  | Registering Officer, Joint Director of Industrial Safety and Health - I, Chennai | December 29, 2024                                                                        | Valid until cancellation |

| S. No.       | Description                                                                                                                                                                                                                                                                                                                                                                                                      | Registration/ Approval/ Certificate/Code Number                        | Issuing Authority                                                                                     | Date of Issue     | Date of Expiry           |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------|--------------------------|
|              | <b>Employer:</b> Manufacturing of Rubber Products;<br><b>(ii) Name of the Contractor:</b> Yala Prasad;<br><b>(iii) Nature of Work:</b> Helper, Loading and Unloading; and<br><b>(IV) Number of Workers:</b> 36                                                                                                                                                                                                   |                                                                        |                                                                                                       |                   |                          |
| 6.           | Certificate of Registration under Section 4(2)(a) of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.*<br><br><b>Particulars:</b><br><b>(i) Nature of work carried at the establishment by the Principal Employer:</b> Manufacturing of Rubber Products,<br><b>(ii) Nature of Work:</b> Loading and unloading; and<br><b>(iii) Number of Migrant Workmen:</b> 36. | IMA/R/TVR13266                                                         | Registering Officer, Joint Director of Industrial Safety and Health - I, Chennai                      | December 29, 2024 | Valid until cancellation |
| <b>Delhi</b> |                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                        |                                                                                                       |                   |                          |
| 2.           | Certificate of Registration of Commercial Establishment under Delhi Shops and Establishment Act, 1954 for the premise situated at 4th Floor, Unit No. 401, Southern Park, Saket District Centre, New Delhi, Delhi, 110017.<br><br><b>Nature of business:</b> Tyres & Tubes                                                                                                                                       | Certificate No.: 2025008906<br><br><b>Registration No.:</b> 2025008906 | Department of Labour Government of National Capital Territory of Delhi, 5-Shamnath Marg, Delhi-110054 | January 18, 2025  | Valid until cancelled    |

\*The above-mentioned approvals are in the erstwhile name of the Company i.e. Matangi Rubber Private Limited.

#### **B. Approvals obtained by our Material Subsidiary, MG Industries Limited**

- MG Industries Limited has been allotted a code bearing no. MPGWL0007284000 under the Employee Provident Fund and Miscellaneous Provisions Act, 1952.
- MG Industries Limited has been allotted an employer code no. 18000109750000204 under Employees' State Insurance Act, 1948 for premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind.

| S. No.                | Description                                                                                                                                   | Registration/ Approval/ Certificate/Code Number | Issuing Authority                             | Date of Issue    | Date of Expiry        |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|------------------|-----------------------|
| <b>Madhya Pradesh</b> |                                                                                                                                               |                                                 |                                               |                  |                       |
| 1.                    | Certificate of Registration issued under Contract Labour (Regulation and Abolition) Act, 1970 issued to MG Industries Private Limited for the | BHIN230516CP0 01256                             | District Officer, District Labour Office, lo, | January 27, 2025 | Valid until cancelled |

| S. No.  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Registration/ Approval/ Certificate/Code Number | Issuing Authority                                              | Date of Issue                     | Date of Expiry    |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------|-----------------------------------|-------------------|---------------------|-----|----|----------------------------------------------------|----|----|-------------------|----|----|--------------------------------------------|----|----|-----------------------------------------------|----|----|-----------------------------------------|----|--|------------------|--|--|
|         | <p>premise situated at Plot No. 8, Industrial Area, Malanpur, Bhind.*</p> <p><b>Particulars of Contractors:</b></p> <table><tr><th>Sr. No.</th><th>Name of the Contractors</th><th>Maximum number of contract labour</th></tr><tr><td>1.</td><td>Krishna Enterprises</td><td>130</td></tr><tr><td>2.</td><td>Trimurti Industrial Labour and Security Associates</td><td>50</td></tr><tr><td>3.</td><td>Manish Associates</td><td>70</td></tr><tr><td>4.</td><td>Ravi Security Organisation Private Limited</td><td>10</td></tr><tr><td>5.</td><td>Castle Hawk Security Services Private Limited</td><td>60</td></tr><tr><td>6.</td><td>Himanshu Contractor and Labour Supplier</td><td>15</td></tr></table> | Sr. No.                                         | Name of the Contractors                                        | Maximum number of contract labour | 1.                | Krishna Enterprises | 130 | 2. | Trimurti Industrial Labour and Security Associates | 50 | 3. | Manish Associates | 70 | 4. | Ravi Security Organisation Private Limited | 10 | 5. | Castle Hawk Security Services Private Limited | 60 | 6. | Himanshu Contractor and Labour Supplier | 15 |  | Malanpur, Bhind, |  |  |
| Sr. No. | Name of the Contractors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Maximum number of contract labour               |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 1.      | Krishna Enterprises                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 130                                             |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 2.      | Trimurti Industrial Labour and Security Associates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 50                                              |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 3.      | Manish Associates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 70                                              |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 4.      | Ravi Security Organisation Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 10                                              |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 5.      | Castle Hawk Security Services Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 60                                              |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 6.      | Himanshu Contractor and Labour Supplier                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 15                                              |                                                                |                                   |                   |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 2.      | <p>License issued to the Trimurti Industrial Labour and Security Associates a Contractor of MG Industries Private Limited under Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind,</p> <p><b>Particulars of work:</b> Loading unloading material shifting</p>                                                                                                                                                                                                                                                                                                                                                                  | BHIN221226CC001371                              | District Officer, District Labour Office, LO, Malanpur (Bhind) | December 27, 2024                 | December 31, 2025 |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |
| 3.      | <p>License issued to the CasteHawk Security Private Limited, a Contractor of MG Industries Private Limited under Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind,</p> <p><b>Particulars of work:</b> Security Services and loading unloading material shifting</p>                                                                                                                                                                                                                                                                                                                                                           | BHIN221216CC000745                              | District Officer, District Labour Office, LO, Malanpur (Bhind) | May 30, 2024                      | December 31, 2025 |                     |     |    |                                                    |    |    |                   |    |    |                                            |    |    |                                               |    |    |                                         |    |  |                  |  |  |

| S. No.       | Description                                                                                                                                                                                                                                                                                           | Registration/ Approval/ Certificate/Code Number | Issuing Authority                                                       | Date of Issue     | Date of Expiry        |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------|-------------------|-----------------------|
| 4.           | License issued to the Krishna Enterprises, a Contractor of MG Industries Private Limited under Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind,<br><br><i>Particulars of work: Loading unloading material shifting</i> | BHIN221215CC0 00706                             | District Officer, District Labour Office, LO, Malanpur (Bhind)          | January 10, 2025  | December 31, 2025     |
| 5.           | License issued to the Manish Associates, a Contractor of MG Industries Private Limited under Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind,<br><br><i>Particulars of work: Material shifting pecking</i>             | BHIN221201CC0 00016                             | District Officer, District Labour Office, LO, Malanpur (Bhind)          | December 12, 2024 | December 31, 2025     |
| <b>Delhi</b> |                                                                                                                                                                                                                                                                                                       |                                                 |                                                                         |                   |                       |
| 6.           | Certificate of Registration of Commercial Establishment under Delhi Shops and Establishment Act, 1954 for the premise situated at Office No.401, 4 <sup>th</sup> Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, New Delhi, Delhi, India, 110017.                      | 2025105694                                      | Department of Labour, Government of National Capital Territory of Delhi | August 07, 2025   | Valid until cancelled |

## VII. ENVIRONMENT RELATED APPROVALS

### A. Approvals obtained by the Company

| S. No.             | Description                                                                                                                                                                                                                                                                                                                                                             | Registration/ Approval/ Certificate Number | Issuing Authority                                                                                                                             | Date of Issue | Date of Expiry     |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------|
| <b>Uttarakhand</b> |                                                                                                                                                                                                                                                                                                                                                                         |                                            |                                                                                                                                               |               |                    |
| 1.                 | Consolidated Consent to Operate and Authorisation issued under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for the premises situated at | UKPCB/HO/Con/ M-44/2024/497                | Member Secretary, Head Office, Uttarakhand Pollution Control Board, Gaura Devi Paryavaran Bhawan, 46B, IT Park, Sahastradhara Road, Dehra Dun | July 09, 2024 | September 30, 2025 |



|                                 | <p>Khasra No. 1036, 1038 &amp; 1039, Industrial Area, Camp Road, Vikasnagar, Dehradun.</p> <p><b>Particulars:</b></p> <table><tr><th>Products manufactured</th><th>Quantity (per month)</th></tr><tr><td>Rubber Flaps</td><td>4300</td></tr><tr><td>Vulcanized Rubber flaps</td><td>270000</td></tr></table>                                                                                                                                       | Products manufactured            | Quantity (per month)                                                 | Rubber Flaps                    | 4300   | Vulcanized Rubber flaps                                                                                                   | 270000                                                                              |                |                |  |  |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------|---------------------------------|--------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|--|--|
| Products manufactured           | Quantity (per month)                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| Rubber Flaps                    | 4300                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| Vulcanized Rubber flaps         | 270000                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| 2.                              | <p>Consent to establish issued to the Company for the premises situated at Khasra No. 1036, 1038 &amp; 1039, Industrial Area, Camp Road, Vikasnagar, Dehradun.*</p> <p><b>Particulars:</b><br/>Manufacturing: Automotive Tyre Flaps</p>                                                                                                                                                                                                            | 5760/ BUK / Pollution / N. O. C. | Office of the Genneral Manager, District Industries Centre, Dehradun | March 03, 2006                  | -      |                                                                                                                           |                                                                                     |                |                |  |  |
| Tamil Nadu                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| 1.                              | <p>Renewal of Consent to Operate issued under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 for the premises situated at S.F. No. DP-32, SIDCO Industrial Estate, Pappankuppam Village, Gummidipoondi Taluk and Tiruvallur District.*</p> <p><b>Particulars:</b></p> <table><tr><th>Products manufactured</th><th>Quantity (per month)</th></tr><tr><td>Rubber Flaps (Automotive Flaps)</td><td>20,000</td></tr></table>   | Products manufactured            | Quantity (per month)                                                 | Rubber Flaps (Automotive Flaps) | 20,000 | <p><b>Consent Order No.:</b><br/>2508265063650</p> <p><b>Proceedings No.:</b><br/>F.0887GMP/RS/ DEE/TNPCB/GM P/A/2025</p> | District Environmental Engineer, Tamil Nadu Pollution Control Board, Gummidipoondi  | April 01, 2025 | March 31, 2028 |  |  |
| Products manufactured           | Quantity (per month)                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| Rubber Flaps (Automotive Flaps) | 20,000                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| 2.                              | <p>Renewal of Consent to Operate issued under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 for the premises situated at S.F. No. DP-32, SIDCO Industrial Estate, Pappankuppam Village, Gummidipoondi Taluk and Tiruvallur District.*</p> <p><b>Particulars:</b></p> <table><tr><th>Products manufactured</th><th>Quantity (per month)</th></tr><tr><td>Rubber Flaps (Automotive Flaps)</td><td>20,000</td></tr></table> | Products manufactured            | Quantity (per month)                                                 | Rubber Flaps (Automotive Flaps) | 20,000 | <p><b>Consent Order No.:</b><br/>2508165063650</p> <p><b>Proceedings No.:</b><br/>F.0887GMP/RS/ DEE/TNPCB/GM P/W/2025</p> | District Environmental Engineer, Tamil Nadu Pollution Control Board, Gummidipoondi. | April 01, 2025 | March 31, 2028 |  |  |
| Products manufactured           | Quantity (per month)                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |
| Rubber Flaps (Automotive Flaps) | 20,000                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                  |                                                                      |                                 |        |                                                                                                                           |                                                                                     |                |                |  |  |

| Madhya Pradesh (Proposed Manufacturing Facility) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                    |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|------------------------------------------|----------------------------------|--------|---------------------------------------------------------------------|-----------------------------------------------------------|-----------------------|----------------|
| 1.                                               | Consent to establish under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 for the premises situated at Plot no. 78, Industrial Area, Malanpur, Malanpur (CT), Gohad, Bhind, Madhya Pradesh.*<br><br><b>Particulars:</b><br><b>(I) Product:</b> Rubber Typers<br><b>(II) Quantity:</b> 48,00,000 per year                                                                                                                                                                                                                                                        |                                                    | Outward No.:<br>117476,21/02/2023<br><br>Consent No.:<br>CTE-57654 | Chairman,<br>Madhya Pradesh<br>Pollution Control<br>Board | February<br>21, 2023                               | January 31,<br>2028                      |                                  |        |                                                                     |                                                           |                       |                |
| 2.                                               | Consent to Operate under section 25 of the Water (Prevention & Control of Pollution) Act, 1974 under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Hazardous and other Waste (Management & Trans boundary Movement) Rules, 2016 for the premises situated at plot no. 78, Industrial Area, Malanpur, City : Malanpur, Tal : Gohad, Dist : Bhind (M.P.).<br><br><b>Particulars:</b> <table><tr><th>Products manufactured</th><th>Quantity (per year)</th></tr><tr><td>Rubber Tyres</td><td>4800000<br/>Nos. (Forty eight lakh/ year)</td></tr><tr><td>Liquid Nitrogen Storage Facility</td><td>30 KLT</td></tr></table> |                                                    | Products manufactured                                              | Quantity (per year)                                       | Rubber Tyres                                       | 4800000<br>Nos. (Forty eight lakh/ year) | Liquid Nitrogen Storage Facility | 30 KLT | Outward No:122815,26/05/2025<br><br><b>Consent No:</b><br>AWH-62264 | Chairman,<br>Madhya Pradesh<br>Pollution Control<br>Board | May 26,<br>2025       | April 30, 2030 |
| Products manufactured                            | Quantity (per year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                    |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |
| Rubber Tyres                                     | 4800000<br>Nos. (Forty eight lakh/ year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                    |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |
| Liquid Nitrogen Storage Facility                 | 30 KLT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                    |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |
| 3.                                               | Consent to establish under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 for the premises situated at Plot no. 78 & 80, Industrial Area, Malanpur (CT), Gohad, Bhind, Madhya Pradesh.<br><br><b>Particulars:</b> <table><tr><th>Product</th><th>Existing Capacity per year</th><th>Applied Capacity under Proposed expansion per year</th></tr><tr><td></td><td></td><td></td></tr></table>                                                                                                                                                                    |                                                    | Product                                                            | Existing Capacity per year                                | Applied Capacity under Proposed expansion per year |                                          |                                  |        | Outward No.:<br>123606,02/09/2025<br><br>Consent No.:<br>CTE- 62899 | Chairman,<br>Madhya Pradesh<br>Pollution Control<br>Board | September 02,<br>2025 | July 31, 2030  |
| Product                                          | Existing Capacity per year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Applied Capacity under Proposed expansion per year |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |
|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                    |                                                                    |                                                           |                                                    |                                          |                                  |        |                                                                     |                                                           |                       |                |

|  |                                  |            |           |  |  |  |  |
|--|----------------------------------|------------|-----------|--|--|--|--|
|  | De-vulcanized/Processed Rubber   | -          | 3910 MT   |  |  |  |  |
|  | Solid Tyres                      | -          | 603 MT    |  |  |  |  |
|  | Liquid Nitrogen Storage Facility | 30 KLT     | No change |  |  |  |  |
|  | Rubber Tyres                     | 480000 NOS | No change |  |  |  |  |

**B. Approvals obtained by our Material Subsidiary, MG Industries Limited**

**i. Approvals obtained by MG Industries Limited for the premises situated at Plot No. 8, Industrial Area Malanpur, Bhind, Gohad, Madhya Pradesh**

| S. No.         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Registration/ Approval/ Certificate Number                                              | Issuing Authority                                      | Date of Issue | Date of Expiry |             |  |                                                                           |                                                  |                   |                |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------|---------------|----------------|-------------|--|---------------------------------------------------------------------------|--------------------------------------------------|-------------------|----------------|
| Madhya Pradesh |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                         |                                                        |               |                |             |  |                                                                           |                                                  |                   |                |
| 1.             | <div>Consent to Operate issued under Section 25 of the Water (Prevention &amp; Control of Pollution) Act, 1974, under Section 21 of the Air (Prevention &amp; Control of Pollution) Act, 1981 and Authorization under Hazardous and Waste (Management &amp; Transboundary movement) Rules, 2016 to M.G. Industries Private Limited for the premises situated at Plot No. 8, Industrial Area Malanpur, Bhind, Gohad, Madhya Pradesh.*</div> <div>Particulars:</div> <table><tr><th>Product</th><th>Qty/year</th></tr><tr><td>Aumobile</td><td>10,08,000</td></tr><tr><td>Rubber Tube</td><td></td></tr></table> | Product                                                                                 | Qty/year                                               | Aumobile      | 10,08,000      | Rubber Tube |  | <div>Outward No: 117106,30/12/2022</div> <div>Consent No: AWH-57305</div> | Chairman, Madhya Pradesh Pollution Control Board | December 30, 2022 | April, 30 2027 |
| Product        | Qty/year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                         |                                                        |               |                |             |  |                                                                           |                                                  |                   |                |
| Aumobile       | 10,08,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                         |                                                        |               |                |             |  |                                                                           |                                                  |                   |                |
| Rubber Tube    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                         |                                                        |               |                |             |  |                                                                           |                                                  |                   |                |
| Uttarakhand    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                         |                                                        |               |                |             |  |                                                                           |                                                  |                   |                |
| 2.             | Approval letter for obtaining building permission for Village Central Hope Town, Pargana Western Doon, Tehsil Vikas Nagar, District- Dehradun, Uttarakhand issued to the Company.                                                                                                                                                                                                                                                                                                                                                                                                                              | <div>SIDA/SEQ/I/0010 /25-26</div> <div>Application No.: MAP/SIDA/SEQ/ I/009/25-26</div> | State Industrial Development, Authority Of Uttarakhand | July 25, 2025 | July 24, 2028  |             |  |                                                                           |                                                  |                   |                |

## VIII. INTELLECTUAL PROPERTY RELATED APPROVALS

### A. Approvals obtained by the Company

*Nil*

### B. Approvals obtained by our Material Subsidiary, MG Industries Limited

*Nil*

## IX. PENDING APPROVALS

### A. Applications made by the Company

1. The Company has filed Form TM-A with the Registrar of Trademarks to apply for the registration of certain trademarks and is yet to receive the registration certificates in its name for the same from Registrar of Trademarks. The following are the trademarks which the Company has applied for:

| S. No. | Particulars of Mark | Word/ Label Mark | Applicant   | Trademark Application Number | Date of Filing    | Class | Status of Application |
|--------|---------------------|------------------|-------------|------------------------------|-------------------|-------|-----------------------|
| 1.     | MAXSTONE            | Word             | The Company | 6877067                      | February 25, 2025 | 12    | Pending               |
| 2.     | MAXSTONE            | Word             | The Company | 6877068                      | February 25, 2025 | 17    | Pending               |
| 3.     | CENTYRE             | Word             | The Company | 6896411                      | March 10, 2025    | 12    | Pending               |
| 4.     | EMAREL              | Word             | The Company | 6896410                      | March 10, 2025    | 12    | Pending               |
| 5.     | EMGEE               | Word             | The Company | 6896409                      | March 10, 2025    | 12    | Pending               |
| 6.     | MAXJET              | Word             | The Company | 6896413                      | March 10, 2025    | 12    | Pending               |
| 7.     | MIGE                | Word             | The Company | 6896414                      | March 10, 2025    | 12    | Pending               |
| 8.     | TREADSTONE          | Word             | The Company | 6896412                      | March 10, 2025    | 12    | Pending               |
| 9.     | CENTYRE             | Word             | The Company | 6896441                      | March 10, 2025    | 17    | Pending               |
| 10.    | EMAREL              | Word             | The Company | 6896440                      | March 10, 2025    | 17    | Pending               |
| 11.    | EMGEE               | Word             | The Company | 6896439                      | March 10, 2025    | 17    | Pending               |
| 12.    | MAXJET              | Word             | The Company | 6896443                      | March 10, 2025    | 17    | Pending               |
| 13.    | MIGE                | Word             | The Company | 6896444                      | March 10, 2025    | 17    | Pending               |
| 14.    | TREADSTONE          | Word             | The Company | 6896442                      | March 10, 2025    | 17    | Pending               |

2. ***Pending approval obtained in respect of the manufacturing plant located at Khasra No. 1036, 1038, 1039, Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand, 248197.***

- a. The Company has applied to the Executive Officer/Administrator, Nagar Panchayat, Selaqui for obtaining trade license for financial year 2025-26.

3. ***Pending approval in respect of the premises situated at Plot No. 78 & 80, Gohad Industrial Area, Malanpur Industrial Area, Gwalior Bhind Road, Malanpur-477117, District- Bhind, Madhya Pradesh***

- a. The Company has filed an application dated July 23, 2025 bearing no. MRL/2025-26/NC/002 to the Executive Director, M.P. Industrial Development Corporation Limited, Regional Office, Gwalior, Madhya Pradesh requesting to merge Plot No. 78 and Plot No. 80.
- b. The Company has made an application dated July 24, 2025 to the Executive Director, M.P. Industrial Development Corporation Limited, Regional Office, Gwalior, Madhya Pradesh for transferring the borewell connection in the name of the Company from “Fusion Industries Limited”.

4. ***Pending approval in respect of the premises situated at DP- 31 and 32, SIDCO Industrial Estate, Pappankuppam Village, Gummidipoondi Taluk and Tiruvallur District.***

The Company has made an application to reflect to reflect the following changes in the Consent to Operate bearing Consent Order No. 2508265063650:

- (i) To change in the name of the Company from “*Matangi Rubbers Private Limited*” to “*Matangi Rubbers Limited*”
- (ii) To change the address to “DP- 31 and 32, SIDCO Industrial Estate, Pappankuppam Village, Gummidipoondi Taluk and Tiruvallur District”.

**B. Applications made by our Material Subsidiary, MG Industries Limited**

1. MG Industries Limited has made an application on July 14, 2025 for change in name from “*MG Industries Private Limited*” to “*MG Industries Limited*” in the Importer-Exporter Code issued to MG Industries Private Limited bearing no. 0502029048 by Directorate General of Foreign Trade under Ministry of Commerce and Industry.
2. MG Industries Limited has made an application on July 14, 2025 with The Employees’ Provident Fund Organisation for change in name from “*MG Industries Private Limited*” to “*MG Industries Limited*” for the Establishment ID bearing no. MPGWL0007284000 issued to MG Industries Private Limited.
3. MG Industries Limited has made an application to reflect the change in name from “*MG Industries Private Limited*” to “*MG Industries Limited*” in the certificate bearing registration no. 12 111 65964 TMS and IATF Certificate No.: 0476695 dated June 16, 2023 issued to MG Industries Private Limited by TÜV SÜD Management Service GmbH.
4. ***Pending approval in respect of the manufacturing plant located at Khasra No. 1029 & 1040, Central Hope Town, Pargana Camp Road, Selaqui Industrial Area, Dehradun, Uttarakhand.***
- a. MG Industries Limited has filed an In-Principle Approval (CAF) Application Form bearing CAF ID no. 123291 with Uttarakhand Single Window Clearance System Govt. of Uttarakhand for the proposed tube plant.
5. ***Pending approval in respect of the premises situated at Plot No. 8, Industrial Area Malanpur, Bhind, Gohad, Madhya Pradesh.***

- a. MG Industries Limited has made an application bearing application no. BHIN250710CP000001 to District Labour Officer, Malanpur (Bhind) for obtaining the Certificate of Registration under the Contract Labour (Regulation and Abolition) Act, 1970. The details stipulated therein are as under:

| Sr. No. | Name of the Contractor                             | Nature of Work                           | Maximum number of contract labour |
|---------|----------------------------------------------------|------------------------------------------|-----------------------------------|
| 1.      | Krishna Enterprises                                | Loading, Unloading and Material Shifting | 130                               |
| 2.      | Trimurti Industrial Labour and Security Associates | Loading, Unloading and Material Shifting | 50                                |
| 3.      | Manish Associates                                  | Loading, Unloading and Material Shifting | 70                                |
| 4.      | Ravi Security Organisation Private Limited         | Security                                 | 10                                |
| 5.      | Castle Hawk Security Services Private Limited      | Loading, Unloading and Material Shifting | 60                                |
| 6.      | Himanshu Contractor and Labour Supplier            | Loading, Unloading Main Power Supply Etc | 15                                |

- b. MG Industries Limited has made an application vide letter dated April 10, 2025 bearing no. MGI/24-25 to the Regional Officer, Madhya Pradesh Pollution Control Board, DD Nagar, Gwalior, Madhya Pradesh for change in the name on consent to operate (bearing consent no. AWH-57305) from “M.G. Industries Private Limited” to “M.G. Industries Limited”.

## X. APPLICATIONS YET TO BE MADE

### A. Applications yet to be made by the Company

1. The Company is yet to make an application for obtaining the sanction factory layout plan for premises located at Plot No. 78 and 80, Gohad Industrial Area, Malanpur Industrial Area, Gwalior Bhind Road, Malanpur-477117, District- Bhind, Madhya Pradesh for setting up of green field manufacturing facility for Rubber Recycling Products and setting up of green field manufacturing facility for production of Solid Tyres.
2. The Company is yet to make an application to renew the Fire Plan Approval Certificate (No Objection Certificate) for the premises situated at 78, Gohad Industrial Area, Malanpur Industrial Area, Gwalior Bhind Road, Malanpur-477117, District- Bhind, Madhya Pradesh.
3. The Company is yet to make an application to obtain the certificate of verification issued under the Legal Metrology Act, 2009 for the premises situated at Plot No. 78, Gohad Industrial Area, Malanpur Industrial Area, Gwalior Bhind Road, Malanpur-477117, District- Bhind, Madhya Pradesh.
4. The Company is yet to make an application to obtain Professional Tax Enrolment Certificate for the manufacturing plant located at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.
5. The Company is yet to make an application to obtain Professional Tax Registration Certificate for the manufacturing plant located at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.
6. Yala Prasad, a Contractor of the Company is yet to make an application to obtain the license issued under the Contract Labour (Regulation and Abolition) Act, 1970 for the premises situated at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.

7. The Company is yet to make an application to reflect change in name of the Company from “*Matangi Rubbers Private Limited*” to “*Matangi Rubbers Limited*” in the Certificate of Registration bearing no. CLA/R/TVR13266 issued under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970 by Registering Officer, Joint Director of Industrial Safety and Health - I, Chennai for the premise situated at DP No. 31 and 32, SIDCO Industrial Estate Gummidipoondi, Ponneri C, Tiruvallur, Tamil Nadu, 601201.
8. The Company is yet to make an application to obtain the authorization issued under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for the premises situated at S.F. No. DP-31 and 32, SIDCO Industrial Estate, Pappankuppam Village, Gummidipoondi Taluk and Tiruvallur District.

**B. *Applications yet to be made by our Material Subsidiary, MG Industries Limited***

1. MG Industries Limited is yet to make an application for Fire Safety Certificate for the premises located at Plot No. 8, Malanpur Industries Area, Bhind Road, Malanpur.
2. MG Industries Limited is yet to make an application to reflect the correction in the commodities packed from “2 Wheeler Butyl Tube” to “2/3 Wheeler Butyl Tube” for the premises located at Plot No. 8, Malanpur Industries Area, Bhind Road, Malanpur.
3. MG Industries Limited is yet to make an application to obtain registration (for employer) under the Madhya Pradesh Vritti Kar Adhiniyam, 1995 for the premises located at Plot No. 8, Malanpur Industries Area, Bhind Road, Malanpur.
4. MG Industries Limited is yet to make an application to reflect the change in name from “*Panchshila Rubbers Private Limited MG Industries Private Limited*” to “*MG Industries Limited*” in the employer code no. 18000109750000204 issued to MG Industries Private Limited under Employees’ State Insurance Act, 1948 for premises situated at Plot No. 8, Industrial Area, Malanpur, Bhind.

*[The remainder of this page has intentionally been left blank]*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

#### Corporate Approvals

- a) Our Board of Directors have passed a resolution in relation to the Issue vide a resolution passed by Board of Directors in the Board meeting held on June 16, 2025.
- b) Our Shareholders have passed a resolution in relation to the Issue vide a special resolution passed by Shareholders at EGM held on June 18, 2025.
- c) This Draft Red Herring Prospectus was approved by our Board vide its resolution in its meeting dated September 22, 2025.

### In-Principal Approval from the Stock Exchange

Our Company has received in-principal approval from the BSE SME for the listing of our Equity Shares pursuant to the letter dated [●] bearing reference no. [●]. For the purpose of this Issue, BSE SME is the Designated Stock Exchange.

### Prohibition by the SEBI or Other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group, and the persons in control of Promoters or our Company are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

### Compliance with the Significant Beneficial Owners Rules, 2018

Our Company, our Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018 as amended from time to time.

### Directors associated with the Securities Market

We confirm that none of our Directors are, in any manner, associated with the securities market except for trading on day-to-day basis for the purpose of investment and there is no outstanding action initiated by SEBI against any of our directors in the five years preceding the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as we are an Issuer whose post issue paid up capital is less or equal to ₹ 25 Crores and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE Limited").

We confirm that we comply with Regulation 229 of the SEBI ICDR Regulations and all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE:

- (i) Our Company was incorporated on June 14, 2004 under Companies Act, 1956.
- (ii) The present paid-up capital of our Company is ₹1028.88 Lakh and we are proposing issue of Up to 37,09,600



Equity Shares of ₹10/- each at Issue price of ₹[●] per Equity Share including share premium of ₹[●] per Equity Share, aggregating to ₹[●] Lakh. Hence, our Post Issue Paid up Capital will be Up to ₹ [●] Lakhs which is not more than ₹2500.00 Lakhs.

(iii) The Net worth of the Company as per the restated financials is at least ₹1 crore for preceding 2 Financial years:

| Particulars            | Fiscal 2025 | Fiscal 2024 |
|------------------------|-------------|-------------|
| Net Worth (₹ In lakhs) | 9,252.93    | 4,617.91    |

(iv) Our Company satisfies the criteria of Net Tangible Asset (₹ 3 Crore in the last preceding Financial year)

| Particulars                     | Fiscal 2025 |
|---------------------------------|-------------|
| Net Tangible Asset (₹ In lakhs) | 8,193.80    |

(v) Our Company has a track record of at least three years.

(vi) The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2025 was 0.99 times which is less than the limit of 3:1.

(vii) Our Company has operating profits (Earnings before interest, depreciation and tax) from operations for at least any 2 (two) out of 3 (three) financial years preceding the date of filing of this Draft Red Herring Prospectus and the net worth of our Company is positive as per the latest audited financial statements.

₹ in Lakhs

| Particulars                                                             | Consolidated    | Standalone      | Standalone    |
|-------------------------------------------------------------------------|-----------------|-----------------|---------------|
|                                                                         | Fiscal 2025     | Fiscal 2024     | Fiscal 2023   |
| Profit Before Tax                                                       | 2,517.47        | 662.12          | 458.04        |
| Add: Depreciation                                                       | 306.03          | 165.47          | 166.12        |
| Add: Interest Expense                                                   | 369.26          | 302.04          | 294.37        |
| Less: Other Income                                                      | 338.74          | 114.65          | 109.33        |
| Less: Extraordinary items                                               | -               | -               | 11.04         |
| Positive Cash Accruals (Earnings Before Interest, Depreciation and Tax) | <b>2,854.02</b> | <b>1,014.98</b> | <b>798.16</b> |

(viii) There is no change in the promoter/s of the Company in the preceding one year from date of filing application with SME Platform of BSE.

(ix) Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.

(x) Our Company has a live and operational website: [www.matangirubber.com](http://www.matangirubber.com)

(xi) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

(xii) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.

(xiii) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company or Promoters or our Directors or members forming a part of the Promoter Group or Our Companies/ Entities except as mentioned in the chapter titled “Outstanding Litigation and Material Developments” beginning on page 292 of this Draft Red Herring Prospectus.

#### Other Disclosures:

a. Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting

company(ies) of the applicant company: **Not Applicable**

- b. Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years: **Not Applicable**
- c. We have disclosed the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. **Complied**
- d. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences. **Not Applicable**
- e. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE.

**Our Company is in compliance with the following conditions specified in Regulation 228 of the SEBI (ICDR) Regulations:**

- a. Neither our Company nor any of our Promoter(s), members of Promoter Group nor our Director(s) are debarred from accessing the capital markets by SEBI;
- b. Neither our Promoter(s) nor any of our Director(s) is a Promoter or a Director of any other company which is debarred from accessing the capital market by the SEBI;
- c. Neither our Company nor any of our Promoter(s) or Director(s) is wilful defaulter or fraudulent borrower; and
- d. Neither our Promoters nor any of our Director(s) is a fugitive economic offender.

**Our Company is in compliance with the following conditions specified in Regulation 230 of SEBI (ICDR) Regulations:**

- a. Our Company has made an application to SME Exchange(s) for listing of its Equity Shares on such SME Exchange(s) and has chosen BSE SME as its Designated Stock Exchange in terms of Schedule XIX.
- b. Our Company has entered into a tripartite agreement with the depositories for facilitating trading in dematerialized mode.
- c. The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.
- d. All Equity Shares held by our Promoters are in dematerialized form.
- e. As the entire fund requirement is to be funded from the proceeds of the Issue, 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 amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution.
- f. The amount dedicated for general corporate purposes, as mentioned in the chapter titled “Objects of the Issue” beginning on page 101, does not exceed fifteen per cent (15%) or ₹ 1,000.00 lakhs whichever is less of the amount being raised by our Company.

**We confirm that:**

- a. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, SEBI has not issued any observations on our Draft Red Herring Prospectus. The Red Herring Prospectus will be filed with the Registrar of Companies, Ahmedabad. Also, we shall ensure that our Book Running Lead Manager submits the copy of the Red Herring Prospectus along with a Due Diligence Certificate as per Form A of Schedule V to SEBI (ICDR) Regulations including additional confirmations as required by SEBI at the time of submission of the Red Herring Prospectus with SEBI in Form G of Schedule V to SEBI (ICDR) Regulations. In accordance with sub-regulation (5) of Regulation 246 of SEBI (ICDR) Regulations, a soft copy of the Red Herring Prospectus and the Prospectus shall be submitted to SEBI.
- b. The face value of Equity Shares of Our Company is ₹ 10/- (Rupees Ten only) for each Equity Share. As detailed in the chapter “Capital Structure” beginning on page 87.
- c. Price of the Equity Shares is not less than the face value of the Equity Shares. For further details pertaining to pricing of Equity Shares please refer to the chapter “Capital Structure” beginning on page 87.
- d. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent (100%) underwritten. For further details pertaining to said underwriting please refer to “General Information” on page 76.
- e. In accordance with SEBI ICDR Regulations, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three (3) years from the date of listing of Equity Shares issued in the Issue. For further details of the market making arrangement see the chapter titled “General Information” beginning on page 76.
- f. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the total number of proposed allottees in the Issue is greater than or equal to two hundred (200), otherwise, the entire application money will be refunded forthwith. If the Equity Shares are not allotted and/or the application monies are not refunded or unblocked within two (2) days, our Company shall pay interest at the rate of 15% per annum from expiry of two (2) days.
- g. The post-issue paid up capital of our Company will be ₹ 1,399.84 Lakhs. For further information refer to the chapter “Capital Structure” beginning on page 87.
- h. There is no winding up petition against the Company which has been admitted by the court or a liquidator has not been appointed.
- i. We confirm that nothing in this Draft Red Herring Prospectus is contrary to the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.
- j. We confirm that Book Running Lead Manager i.e Sarthi Capital Advisors Private Limited are not associates as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 of our Company.
- k. We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

#### **DISCLAIMER CLAUSE OF THE SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLM, BEING, HOLANI CONSULTANTS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 22, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ALONG WITH THE SITE VISIT REPORT OF OUR COMPANY PREPARED BY THE BRLM.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registering the Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF BSE**

As required, a copy of the Draft Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

#### **DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Directors, and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.infinityinfoway.com](http://www.infinityinfoway.com), would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement dated July 30, 2025 entered into between the Book Running Lead Manager and our Company and the

Underwriting Agreement dated [●] entered into between the Underwriter(s) and our Company and the Market Making Agreement dated [●] entered into among the Book Running Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for our Company and our respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

None among our Company is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bidders will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not offer, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares

#### **Note**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, VCFs, AIFs, public financial institutions, scheduled commercial banks, state industrial development corporation, permitted national investment funds, NBFC-SIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to acquire and hold the Equity Shares.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus will be registered with the RoC. Accordingly, the Equity Shares represented hereby may not be issued or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any

circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (“Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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, to any persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### Price Information and the Track Record of the Past Issues handled by the Book Running Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by the SEBI, please refer to the section “Disclosure of price information of latest ten issues handled by Sarthi Capital Advisors Private Limited” in the chapter titled “Other Regulatory and Statutory Disclosures” on page no. 326 of this Draft Red Herring Prospectus and the website of the Book Running Lead Manager at [www.sarthi.in](http://www.sarthi.in).

#### TRACK RECORDS OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER

Disclosure of Price Information of latest Issues handled by Sarthi Capital Advisors Private Limited in the past 3 years

**Table 1**

| Financial year | Total no. of IPOs | Total funds raised (₹ in Crores) | No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing |                 |                | No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing |                 |                | No. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing |                 |                | No. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing |                 |                |
|----------------|-------------------|----------------------------------|-------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------|-----------------|----------------|
|                |                   |                                  | Over 50 %                                                                     | Between 25-50 % | Less than 25 % | Over 50 %                                                                    | Between 25-50 % | Less than 25 % | Over 50 %                                                                     | Between 25-50 % | Less than 25 % | Over 50 %                                                                    | Between 25-50 % | Less than 25 % |
| 2022-23        | 2                 | 89.03                            | -                                                                             | -               | -              | 1                                                                            | 1               | -              | -                                                                             | -               | 1              | -                                                                            | -               | -              |
| 2023-24        | 3                 | 190.28                           | -                                                                             | -               | 2              | -                                                                            | -               | 1              | -                                                                             | -               | -              | 2                                                                            | -               | -              |
| 2024-25        | 1                 | 199.45                           | 1                                                                             | -               | -              | -                                                                            | -               | -              | -                                                                             | -               | 1              | -                                                                            | -               | -              |

**Table 2**

| Sr. No. | Issue Name                             | Issue Size (Cr) | Issue Price (₹) | Listing date     | Opening price on listing date | +/- % change in closing price, [+/- % change in closing Benchmark]-30th calendar day from listing | +/- % change in closing price, [+/- % change in closing Benchmark]-90th calendar day from listing | +/- % change in closing price, [+/- % change in closing Benchmark]-180th calendar day from listing |
|---------|----------------------------------------|-----------------|-----------------|------------------|-------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1.      | P. E. Analytics Limited                | 31.60           | 114.00          | April 04, 2022   | 170.00                        | -2.07 [-0.80]                                                                                     | -13.62[-7.64]                                                                                     | -6.53 [15.42]                                                                                      |
| 2.      | Frog Cellsat Limited                   | 41.57           | 102.00          | October 13, 2022 | 177.00                        | 19.11 [7.73]                                                                                      | 24.14 [5.18]                                                                                      | -1.99/4.16                                                                                         |
| 3.      | Homesfy Realty Limited                 | 15.86           | 197.00          | January 02, 2023 | 275.05                        | 78.28 [-3.19]                                                                                     | 45.15 [-4.39]                                                                                     | 49.71 [6.18]                                                                                       |
| 4.      | Spectrum Talent Management Limited     | 105.14          | 173.00          | June 22, 2023    | 155.00                        | -2.92 [4.80]                                                                                      | -9.03 [26.08]                                                                                     | -23.09 [43.56]                                                                                     |
| 5.      | Digikore Studios Limited               | 30.48           | 171.00          | October 04, 2023 | 270.00                        | -3.92 [11.10]                                                                                     | 16.05 [18.31]                                                                                     | 101.06 [23.91]                                                                                     |
| 6.      | Vinyas Innovaive Technologies Limited  | 54.66           | 165.00          | October 06, 2023 | 330.00                        | 22.91 [8.27]                                                                                      | 98.11 [18.65]                                                                                     | 87.59 [24.18]                                                                                      |
| 7.      | Stallion India Flourochemicals Limited | 199.45          | 90.00           | January 23, 2025 | 120.00                        | -41.94 [-1.76]                                                                                    | -42.68 [4.70]                                                                                     | -7.12 [7.41]                                                                                       |

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

\*Has not reached the milestone

**Note**

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30th/90th/180thday if there is no trade then the closing price of the next day when trading has taken place has been considered.

**LISTING**

An application shall be made to BSE SME (i.e. SME Platform of BSE Limited) for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on SME Platform of BSE Limited after the allotment in the Issue. BSE SME is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Draft Red Herring Prospectus. The allotment letters shall be offered or application money shall be refunded / unblocked within two (2) days from the closure of the Issue or such lesser time as may be specified by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent (15%) per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.



Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited are taken within three (3) Working Days of the Issue Closing Date.

#### **STOCK MARKET DATA OF EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR INVESTOR GRIEVANCES AND REDRESSAL SYSTEM**

The Company has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, UPI ID (if applicable), number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely, Bigshare Services Private Limited, will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will constitute Stakeholders Relationship Committee in the meeting of our Board of Director(s) before listing of Equity Shares on Stock Exchange. For further details on the Committees, please refer to the chapter titled “Our Management” beginning on page 213.

Our Company has appointed Vijay Kumar Sharma as the Company Secretary and Compliance Officer to redress the complaints, if any, of the investors participating in the Issue. For contact details for our Compliance Officer, please refer to “General Information – Company Secretary and Compliance Officer” on page 76.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. Pursuant to the press release PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three (3) years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.



#### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED SUBSIDIARY COMPANIES**

As on the date of filing this Draft Red Herring Prospectus, our Company does not have any group companies listed on any stock exchange, so disclosure regarding mechanism for disposal of redressal of investor grievances for any group companies is not applicable.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not sought for any exemptions from complying with any provisions of securities laws granted by SEBI.

*[The remainder of this page has intentionally been left blank]*

## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India (**GOI**), the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India (**GOI**), the RBI, the Stock Exchange, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this Regard (together, the “UPI Circular”) Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Further vide the said circular Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### The Issue

The Issue comprises of a Fresh Issue by our Company. Expenses for the Issue shall be in the manner specified in “**Objects of the Issue**” on page 101 of this Draft Red Herring Prospectus.

#### Ranking of the Equity Shares

The Equity Shares Being issued and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the SEBI Listing Regulations, our Memorandum of Association and our Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company, including in respect of the voting rights and right to receive dividend, and other corporate benefits, if any, declared by our Company after the date of allotment as per applicable law. For further details, please refer to the section titled “**Main Provisions of the Article of Association**” beginning on page no. 386 of this Draft Red Herring Prospectus.

#### Authority for the Issue

The present public Issue of up to 37,09,600 Equity shares has been authorized by a resolution of Board of Directors of our Company at their meeting held on June 16, 2025 and was approved by the Shareholders of the Company by passing Special resolution at their Extra Ordinary General meeting held on June 18, 2025 in accordance with provision of Section 62(1)(c) of the Companies Act, 2013.

### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. In respect of the Issue, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants who have been issued and allotted Equity Shares in the Issue for the entire year in accordance with the SEBI ICDR Regulations. For further details in relation to dividends, see Chapters titled “*Dividend Policy*” and “Main Provisions of the Article of Association” beginning on pages 237 and 386, respectively of this Draft Red Herring Prospectus.

### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹10 and the Issue Price is ₹[●] per Equity Share. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●], being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in accordance with the applicable laws and in consultation with the Book Running Lead Manager, and shall be advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper ( Hindi being the regional language of the state where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any rules and regulations prescribed by the RBI; and

- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., please refer to the section titled “Main Provisions of the Articles of Association” beginning on page 386 of this Draft Red Herring Prospectus.

### **Allotment of Equity Shares in only Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form (i.e. not in the form of physical certificates and be represented by the statement issued through the electronic mode) to all Bidders. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- 1) Tripartite agreement dated July 18, 2025 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated July 18, 2025 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

### **Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2.00 lakhs.”

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this issue and the amount blocked by the SCSBs shall be unblocked within prescribed period of time as per SEBI (ICDR) Regulation 2018.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with competent courts/authorities in Delhi.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being issued or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Joint Holders**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Period of subscription list of the Issue**

For details, see “General Information” - “*Bid/Issue Period*” on page no. 76 of this Draft Red Herring Prospectus

### **Nomination Facility to Investors**

In accordance with Section 72 (1) & 72(2) of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one (1) person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and Share Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Bidder require changing the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Issue**

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid / Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs or the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the Red Herring Prospectus after it is filed with the RoC.

If our Company in consultation with the Book Running Lead Manager withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

#### **Bid/Issue Program**

| <b>Event</b>                                                                                           | <b>Indicative Date</b> |
|--------------------------------------------------------------------------------------------------------|------------------------|
| Bid/Issue Opening Date                                                                                 | On or about [●]        |
| Bid/Issue Closing Date                                                                                 | On or about [●]        |
| Finalisation of Basis of Allotment with the designated Stock Exchange                                  | On or about [●]        |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* | On or about [●]        |
| Credit of Equity shares to Demat Accounts of allottees                                                 | On or about [●]        |
| Commencement of Trading of Equity Shares on the Stock Exchange                                         | On or about [●]        |

1. Our Company may, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.
2. Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.
3. UPI mandate end time and date shall be at 5.00 pm on the Bid/Issue Closing Date.

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*

**The above timetable, other than the Bid / Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be subject to change due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the Book Running Lead Managers and subject to applicable law, revision of the Price Band or delay in receipt of final certificates from SCSBs, etc. resulting in delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with**

**the applicable laws. The BRLM to facilitate the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Issue Closing Date or such other time as may be prescribed by SEBI**

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such period as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Application (other than Bids from Anchor Investors):**

| <b>Bid/Issue Period (except the Bid/ Issue Closing Date)</b> |                                           |
|--------------------------------------------------------------|-------------------------------------------|
| Submission and Revision in Bids                              | Only between 10.00 a.m. and 5.00 p.m. IST |
| <b>Bid/Issue Closing Date*</b>                               |                                           |
| Submission and Revision in Bids                              | Only between 10.00 a.m. and 3.00 p.m. IST |

***\* UPI mandate and time and date shall be at 5:00 p.m. on Issue Closing Date***

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Investors.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Investors after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the bid closure time from the Bid/Issue Opening Date till the Bid/Issue Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Issue on a daily basis. As per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 12.00 p.m. (Indian Standard Time) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted on the Stock Exchange platform only during Working Days, during the Bid/ Issue Period. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing. Further, as per letter no. list/SMD/SM/2006 dated July 3, 2006 and



letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the issuer does not receive the subscription of 100% of the issue through this issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen percent per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the issuer is 100% underwritten. For details of the underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page 76 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size shall be two lots per application per application. Provided that minimum application size shall be above ₹2 lakhs.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 200 (Two hundred).

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE.

For further details of the Market Making arrangement see chapter titled “General Information - Details of the Market Making Arrangements for this Issue” beginning on page 76 of this Draft Red Herring Prospectus.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE (“BSE SME”).

### **Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **As per the extant policy of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Restrictions, if any, on Transfer and Transmission of Equity Shares**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed under section titled “Capital Structure” beginning on page 87 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “Main Provisions of the Articles of Association” beginning on page 386 of this Draft Red Herring Prospectus.

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## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Issue paid up capital is more than ten crores but less or equal to Twenty- five crore rupees shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE i.e. SME platform of BSE).

For further details regarding the salient features and terms of such an issue, please refer chapter titled “Terms of the Issue” and “Issue Procedure” beginning on Page no. 336 and 348 respectively.

### **Issue Structure:**

The Public Issue is of up to 37,09,600 Equity Shares of Face Value of ₹ 10/- each at a Price of ₹ [●] per Equity Share for cash (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs, [●] Equity Shares of ₹ [●] each will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and a Net Issue to public of [●] Equity Shares of face value of ₹ 10/- each fully paid up is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute 26.50 % and 25.17 % respectively of the post Issue paid up Equity Share Capital of our Company. The Issue is being made through the Book Building Process.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 252 of the SEBI ICDR Regulations. For further details, please refer chapter titled “Terms of the Issue” on page 336 of this Draft Red Herring Prospectus:

| Particulars                                       | Market Maker Reservation Portion                    | QIB's(1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Non-Institutional Investors                                                                                                                                                                                                                                                                                                                                                                                     | Individual Investors                                                  |
|---------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Number of Equity Shares available for allocation  | Upto [●] Equity Shares of face value of ₹10/- each. | Not more than [●] Equity Shares of face value of ₹10/- each                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Not less than [●] Equity Shares of face value of ₹10/- each.                                                                                                                                                                                                                                                                                                                                                    | Not less than [●] Equity Shares of face value of ₹10/- each.          |
| Percentage of Issue Size Available for allocation | [●] % of the Issue Size.                            | <p>Not more than 50.00% of the Net Issue size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only.</p> <p>Mutual Funds participating in the Mutual fund portion will also be eligible for allocation in the remaining QIB portion. The unsubscribed portion in the Mutual fund portion will be added to Net QIB portion.</p> <p>Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion</p> | <p>Not less than 15% of the Net Issue subject to the following:- a) One- third of the portion available to non-Institutional Investors shall be reserved for Bidders with application size of more than two lots and up to such lots equivalent to not more than ₹ 10.00 lakhs; b) two-third of the portion available to non-Institutional Investors shall be reserved for Bidders with application size of</p> | Not less than 35% of the Net Issue shall be available for allocation. |

| Particulars        | Market Maker<br>Reservation<br>Portion                                                                                | QIB's(1)                                                                                                                                                                                                                                                                                                                                                                      | Non-<br>Institutional<br>Investors                                                                                                                                                | Individual<br>Investors                                                                                                                                                                                                                                                                                  |
|--------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    |                                                                                                                       | shall be available for allocation to domestic mutual funds only.                                                                                                                                                                                                                                                                                                              | more than ₹ 10.00 lakhs;                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
| Basis of Allotment | Firm Allotment.                                                                                                       | Proportionate as follows:<br><br>a) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and<br><br>b) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above | Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares                                                     | Allotment to each Individual Investors shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Individual Investor Portion and remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Issue Procedure" on page 348. |
| Mode of Bid        | Only through ASBA process.                                                                                            | Only through ASBA process.                                                                                                                                                                                                                                                                                                                                                    | Only through ASBA process through banks or by using UPI ID for payment.                                                                                                           | Through ASBA process through banks or by using UPI ID for payment.                                                                                                                                                                                                                                       |
| Mode of allotment  | Compulsory in Dematerialized form                                                                                     |                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                          |
| Minimum Bid Size   | [●] Equity Shares of Face Value of ₹10 each                                                                           | Such number of Equity shares in multiple of [●] Equity shares such that the bid amount exceeds ₹ 2,00,000                                                                                                                                                                                                                                                                     | Such number of Equity shares in multiple of [●] Equity shares such that the bid size exceeds ₹ 2,00,000                                                                           | [●] Equity Shares of Face Value of ₹10 each                                                                                                                                                                                                                                                              |
| Maximum Bid Size   | [●] Equity Shares                                                                                                     | Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹10/- each not exceeding the size of the Net Issue, subject to applicable limits                                                                                                                                                                                                              | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in two lots so that the Bid Amount exceeds ₹2.00 lakhs                                                                                                                                                                                                                      |
| Trading Lot        | [●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR | [●] Equity Shares and in multiples thereof                                                                                                                                                                                                                                                                                                                                    | [●] Equity Shares and in multiples thereof                                                                                                                                        | [●] Equity Shares and in multiples thereof                                                                                                                                                                                                                                                               |

| Particulars         | Market Maker<br>Reservation<br>Portion                                                                                                                                                                                                                                                                                                                 | QIB's(1) | Non-<br>Institutional<br>Investors | Individual<br>Investors |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------------------------------------|-------------------------|
|                     | Regulations.                                                                                                                                                                                                                                                                                                                                           |          |                                    |                         |
| Terms of<br>Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.<br>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. |          |                                    |                         |

\* Assuming full subscription in the Issue.

1. In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.
2. Subject to valid Bids being received at or above the Issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
3. Anchor Investors are not permitted to use the ASBA process.
4. Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor application forms, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

For further details please refer “Issue Procedure” on page 348 of Draft Red Herring Prospectus

#### Lot Size

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 (“Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Sr. No. | Issue Price (in ₹)        | Lot Size (No. of shares) |
|---------|---------------------------|--------------------------|
| 1.      | Up to 14                  | 10,000                   |
| 2.      | More than 14 up to 18     | 8,000                    |
| 3.      | More than 18 up to 25     | 6,000                    |
| 4.      | More than 25 up to 35     | 4,000                    |
| 5.      | More than 35 up to 50     | 3,000                    |
| 6.      | More than 50 up to 70     | 2,000                    |
| 7.      | More than 70 up to 90     | 1,600                    |
| 8.      | More than 90 up to 120    | 1,200                    |
| 9.      | More than 120 up to 150   | 1,000                    |
| 10.     | More than 150 up to 180   | 800                      |
| 11.     | More than 180 up to 250   | 600                      |
| 12.     | More than 250 up to 350   | 400                      |
| 13.     | More than 350 up to 500   | 300                      |
| 14.     | More than 500 up to 600   | 240                      |
| 15.     | More than 600 up to 750   | 200                      |
| 16.     | More than 750 up to 1,000 | 160                      |
| 17.     | Above 1,000               | 100                      |

Further to the circular, at the Initial Public Issue stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and BSE Limited shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before the opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with an existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of the COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Individual Investors (“UPI Phase III”), as prescribed by SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, effective from issue opening on or after September 01, 2023 on voluntary basis and on or after December 01, 2023 on mandatory basis. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, in which certain applicable procedures w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 01, 2022, and October 01, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has

reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall be not less than 50% of the Net Issue who applies for minimum application size, The allotment to each Individual Investors (who applies for minimum application size) shall not be less than the minimum application size applied by such individual investors (who applies for minimum application size), subject to availability of Equity Shares in the Individual Investor Portion and the remaining available Equity Shares, shall be allocated to individual investors other than individual investors who applies for minimum application size and investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹ 2 lakhs.”

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE Limited to act as intermediaries for submitting Application Forms are provided on BSE Limited at <https://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the abovementioned website of BSE Limited.

ASBA Applicants are required to submit ASBA Applications to the selected branches/offices of the RTAs, DPs, and Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided at <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer to the above-mentioned SEBI link. The list of Stockbrokers, Depository Participants (“DP”), Registrar to an Issue, and Share Transfer Agent (“RTA”) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please refer to the above-mentioned BSE website.

### **Phased implementation of Unified Payments Interface**

SEBI has issued various **UPI Circulars** in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment Mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31. Under this phase, a Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.



**Phase III:** The commencement period of Phase III is notified pursuant to the SEBI press release bearing number 12/2023 and as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, where the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 01, 2023; and (ii) mandatory on or after December 01, 2023. The Issue will be made under UPI Phase III of the UPI Circulars.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post Issue BRLMs will be required to compensate the concerned investor.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI Mechanism. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions using the UPI Mechanism.

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

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

### **Book Building Procedure**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, allocating up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under- subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for Individual Investors Bidding in the Individual Investor Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.



### Availability of Prospectus and Bid Cum Application Forms

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the website of BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Individual Investor Portion can additionally Bid through the UPI Mechanism.

Individual Investors Bidding in the Individual Investor Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than Individual Investors using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Individual Investors Bidding in the Individual Investor Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Individual Investors authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed color of the Bid cum Application Form for the various categories is as disclosed below:

| Category                                                                                                                                          | Color of Bid cum Application Form* |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| Resident Indians, including resident QIBs, Non-Institutional Bidders, Individual Investors and Eligible NRIs applying on a non-repatriation basis | [●]                                |
| Non-Residents including Eligible NRIs, FVCIs, etc applying on a repatriation basis                                                                | [●]                                |
| Anchor Investors**                                                                                                                                | [●]                                |

*Note: Electronic Bid Cum Application Forms will also be available for download on the website of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)).*

*\*Excluding electronic Bid cum Application Form*

*\*\* Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries                                                                                                                                              |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | An SCSB, with whom the bank account to be blocked, is maintained                                                                                                       |
| 2.      | A syndicate member (or sub-syndicate member)                                                                                                                           |
| 3.      | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4.      | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                                           |
| 5.      | A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

*Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

#### **The upload of the details in the electronic bidding system of stock exchange will be done by:**

|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For Applications submitted by Investors to SCSB                                                        | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.                                                                                                                 |
| For applications submitted by investors to intermediaries other than SCSBs                             | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for              |

|  |                                                                                                                                                                                                                                             |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individual Investors using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, Individual Investors should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individual Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analyzing the same and fixing liability.

### Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;

- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138**

**incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000.

### **2. For Other than Individual Investors (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **METHOD OF BIDDING PROCESS**

Our Company in consultation with the Book Running Lead Manager will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper [●] and all editions of Hindi national newspaper [●] (Hindi being the regional language where the registered office is situated) each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional one Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper [●] and all editions of Hindi national newspaper [●] (Hindi being the regional language where the registered office is situated), each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Investor, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the

Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 348 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.



## **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands, than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Investors may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Investor and such Bids from QIB and Non-Institutional Investors shall be rejected.
- d. Individual Investors, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Investors shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Investors and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities Issued to an anchor investor shall not be lower than the price Issued to other applicants.

## **Participation by Associates /Affiliates of Book Running Lead Manager and the Syndicate Members**

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Portion or in the Non- Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

## **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting an allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## **Information for the Bidders**

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be file with the ROC and also publish the same in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper (Hindi being the regional language where our Registered Office is located) each with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet-enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel; they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be



added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) The Equity Shares Allotted in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book

Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.

12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

- Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "Restrictions on Foreign Ownership of Indian Securities" beginning on page 384.

#### **APPLICATION BY FPI INCLUDING FII'S/FPIs:**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI

shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI-registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. Further, pursuant to a Circular dated November 24, 2014, issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any person that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Issue.

#### **BIDS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS:**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors.

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Issue.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an

initial public offering of a venture capital undertaking. Additionally, the VCFs which have not reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of the conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs:**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid or application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications or bid in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES (NBFC):**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and such other approval as may be required must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached

to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below.

1. equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPI/FIIs, Mutual Funds, Systemically Important NBFCs, insurance companies and provident funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLMs may deem fit.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension

fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if

- (i) The investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or
- (ii) The additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds;

- (iii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in nonfinancial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such an account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.



## **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

## **Terms of payment**

The entire Issue price of ₹[●] per share is payable on application. In case of an allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

## **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application/Bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid/Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

1. In case of resident Anchor Investors: “[●]”
2. In case of Non-Resident Anchor Investors: “[●]”

Anchor Investor should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:



| S. No. | Details*          |
|--------|-------------------|
| 1.     | Symbol            |
| 2.     | Intermediary Code |
| 3.     | Location Code     |
| 4.     | Application No.   |
| 5.     | Category          |
| 6.     | PAN               |
| 7.     | DP ID             |
| 8.     | Client ID         |
| 9.     | Quantity          |
| 10.    | Amount            |

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring

Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

## **OTHER INSTRUCTIONS**

### **BUILD OF THE BOOK**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

### **WITHDRAWAL OF BIDS**

- a) Individual Investors can withdraw their Bids until Bid/ Issue Closing Date. In case a Individual Investor wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **PRICE DISCOVERY AND ALLOCATION**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI (ICDR) Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1,000        | 23             | 1,500               | 50.00%       |
| 1,500        | 22             | 3,000               | 100.00%      |
| 2,000        | 21             | 5,000               | 166.67%      |
| 2,500        | 20             | 7,500               | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.**

#### GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/Issue Closing date.

#### Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an Individual Investors bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individual Investors using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application

Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms.

11. Individual Investors bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of Individual Investors submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of allotment.
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that while applying for Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. Individual Investors who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to finalize blocking of funds equivalent to the revised Bid Amount in the Individual Investor’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. Individual Investors shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investors may be deemed to have verified the attachment containing the application details of the Individual Investors in the UPI Mandate Request and have

agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid cum Application Form;

26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (Individual Investors bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of [www.sebi.gov.in](http://www.sebi.gov.in));
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Further, in case of any Pre-Issue or Post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "General Information" beginning on page 76

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 01, 2023 and on mandatory basis for public issues opening on or after December 01, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalized the basis of allotment in a fair and proper manner.

The authorized employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

## **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Draft Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors; Category not ticked;
- Multiple Bids as defined in the Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order; Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;



- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Draft Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

### **FOR INDIVIDUAL BIDDERS**

Bids received from the Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **FOR NON-INSTITUTIONAL BIDDERS**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **FOR QIBs**

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or RHP/ Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - (i) In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - (ii) In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis



- (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis,.
- (iii) Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

#### **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:

- (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- (ii) one-third of the Anchor Investor Portion 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 being done to other Anchor Investors; and
- (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

#### **a) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

#### **b) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIIS IN CASE OF OVER SUBSCRIBED ISSUE:**

In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE Limited (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares Issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

Individual Investors means an investor who applies for shares of value of not more than ₹2,00,000/-Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE Limited.

The Executive Director/ Managing Director of BSE Limited- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE Limited- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation. Equity Shares in Dematerialised Form with NSDL/CDSL.

#### **Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.

- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is under subscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows
  - i. Each successful applicant shall be allotted [●] Equity shares; and
  - ii. the successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per above
- c) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares
- d) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the

balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

- e) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below
- As the individual investor category is entitled to more than fifty percent on proportionate basis, the individual investors shall be allocated that higher percentage.
  - The balance net Issue of shares to the public shall be made available for allotment to Individual applicants other than individual investors and other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- 3) The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- 4) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public Issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within three (03) days of the Issue Closing Date;
- ii. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- iii. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated July 18, 2025.
- b) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 18, 2025.
- c) The Company's Equity shares bear an ISIN No. INE1DHT01017.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in (i) English National Newspaper and (ii) Hindi National Newspaper each with wide circulation (Hindi being regional language where the registered office is situated). In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI (ICDR) Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

## **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC**

The Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Book Running Lead Manager and [●] on [●].

The Company will file a copy of the Red Herring Prospectus with the ROC in terms of Section 26 of the Companies Act, 2013.

## **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as may be specified by SEBI.

In case of any delay in unblocking amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

## **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who-**

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”



## **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within three Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within three Working Days of the Issue Closing Date

## **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- 7) That the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non resident Indians shall be completed within specified time;
- 8) That Company shall not have recourse to issue proceeds until the approval of trading of the Equity Shares from Stock Exchange where listing is sought has been received;
- 9) If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 10) If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 11) That adequate arrangements shall be made to collect all Application Supported by blocked amount while finalizing the basis of allotment.
- 12) That none of our promoters or directors of our company are wilful defaulters or a fraudulent borrowers under Section 5(c) of SEBI (ICDR) Regulation 2018.

## **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:



- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid-cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-Issue or post Issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

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## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**Rules**”) and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. The Company has not passed such resolutions as yet.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Our Company is engaged in the business of manufacturing tyre-flaps, tubes and rubber compound. The FDI Policy issued by the DIPP permits foreign investment up to 100% in the manufacturing sector under the automatic route. No approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of equity Shares under this Issue. Our Company will be required to make certain filings with the RBI after the completion of the Issue.

For further details, see “*Issue Procedure*” on page 348 of this Draft Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. 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 Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.**

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## **SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES)**

#### **\*ARTICLES OF ASSOCIATION OF \*\*MATANGI RUBBER LIMITED**

#### **PRELIMINARY**

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company except in so far as otherwise expressly incorporated herein below.

#### **INTERPRETATION**

2. (1) In these Regulations: -
  - (a) "Company" means **MATANGI RUBBER LIMITED**.
  - (b) "Office" means the Registered Office of the Company.
  - (c) "Act" means the Companies Act, 2013 and any statutory modification thereof.
  - (d) "Seal" means the Common Seal of the Company.
  - (e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called
- (2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

#### **PUBLIC COMPANY**

3. The company is a public company within the meaning of section 2(71) of the Companies Act, 2013, and accordingly the Company is not Private Company.

#### **SHARE CAPITAL**

4. The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf. with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.
5. The business of the Company may be commenced soon after obtaining Certificate of Incorporation.
6. The shares shall be under the discretionary control of the Directors who may allot or otherwise dispose of the same, to such person at such time and on such term & conditions as they may in their absolute discretion think fit & proper.

7. Shares may be registered in the name of any minor through a guardian only as fully paid shares.
8. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business.
9. Subject to the provisions of section 68, 69, and 70 of the Companies Act, 2013 and any statutory amendments or re-enactments thereof and compliance of the provisions thereof by the Company, the Company is authorised to purchase its own shares or other specified securities.
10. The Company in general meeting may decide to issue fully paid up bonus share to the members if so recommended by the Board of Directors.
11. The Share Certificate to the Share registered in the name of two or more person shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.
12. Each fully paid up share shall carry one vote.
13. Subject to the provisions of Section 55 of the Companies Act, 2013, the Company may issue preference shares, which shall be redeemed within a period not exceeding Twenty Years from the date of their issue.

#### **INCREASE AND REDUCTION OF CAPITAL**

14. The Company in General Meeting may, from time to time, by ordinary resolution increase the share capital of the Company by the creation of new shares by such sum, to be divided into shares of such amount as may be deemed expedient.
15. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company when issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions there to as general meeting resolving upon the creation thereof shall direct. If no direction be given, the Board shall determine in particular the manner in which such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.
16. Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium. In case no such provision is made by the Company in General Meeting, the new shares may be dealt with according to the provisions of these Articles.
17. Whenever the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered either to its existing shareholders or employees under ESOP scheme or to any other person subject to the provisions of Section 62 of the Companies Act, 2013. Such existing Shareholders shall have right to renounce the shares offered to him in favour of any other person;
18. Subject to the provisions of the Companies Act 2013, the Company may, from time to time in any manner, by special resolution and subject to any consent required under the Companies Act 2013, reduce:
  - (a) Its share capital,
  - (b) Any capital redemption reserve account; or
  - (c) Any share premium account
19. Subject to provisions of the Companies Act 2013, the Board may accept from any member, to surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

## **ALTERATION OF SHARE CAPITAL**

20. The Company, by ordinary resolution may, from time to time:
- a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - b) sub-divide its share or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of share so cancelled. Where any share capital is sub-divided, the Company in General Meeting, subject to the Sections 43, 47 and other provisions of the Companies Act, 2013, may determine that as between the holders of the shares resulting from sub-division, one or more of such shares shall have same preferential or special rights as regards dividend, payment of capital, voting or otherwise.

## **LIEN**

21. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

## **CALLS ON SHARES AND TRANSFER OF SHARES**

22. The Directors are empowered to make call on members of any amount payable at a time fixed by them. However, the Company may accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up.
23. a) The instrument of transfer shall be in writing and all provisions of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied within respect of all transfer of shares and the registration thereof.
- b) The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.
24. No transfer of shares shall be made or registered without the previous sanction of the Directors, except when the transfer is made by any member of the Company to another member or to a member's wife or child or children or his heirs. The Directors may decline to sanction the transfer subject to Section 58 of the Companies Act, 2013.
25. The Directors may refuse to register any transfer of shares (1) where the Company has a lien on the shares or (2) where the shares are not fully paid up shares, subject to Section 58 of the Companies Act, 2013.
26. Subject to Section 58 of the Companies Act, 2013 the Directors may in their discretion, refuse to register the transfer of any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.

27. At the death of any members his or her shares be recognised as the property of his or her heirs upon production of reasonable evidence as may required by the Board of Directors.
28. Subject to Sec 56 of the Companies Act 2013, every instrument of transfer, duly stamped must be accompanied by the certificate of share proposed to be transferred and such other evidence as the director may require.
29. The Certificate of title of share shall be provided attaching of the seal of the Company, if any.

### **FORFEITURE OF SHARES**

30. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
31. The notice aforesaid shall—
  - a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
32. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
33. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit
34. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
35. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  
  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;  
  
(iii) The transferee shall thereupon be registered as the holder of the share; and  
  
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

36. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **BUY-BACK OF SHARES**

37. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **GENERAL MEETINGS**

38. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.
39. (a) The Board may whenever it thinks fit, call an Extra-Ordinary General Meetings.
- (b) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- (c) The Board shall, on a requisition made by, such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting call an Extraordinary General Meeting.
40. At least twenty-one days, clear notice of General Meetings of the Company, specifying the date, day, hour and place of meeting and the objects shall be given. In every such notice calling meeting of the Company there will appear a statement that member is entitled to appoint proxy to attend and to vote instead of himself. A General Meeting may be called after giving a notice shorter than twenty-one days if consent is accorded in case of any general meeting of all the members entitled to vote thereat and in case of any other meeting by members holding not less than 95 (Ninety-Five) percent of the paid up share capital and is given a right to vote in a meeting.
41. No business shall be transacted at any general meeting, unless quorum of members in present. At least five members present in person shall be the quorum for general meeting subject to the provisions of Section 103 of the Companies Act, 2013.
42. The Chairperson, if any, of the Board, shall preside as Chairperson of all Board and general meetings, of the Company. If at any time the Chairperson is not present within 15 minutes after the time appointed for holding the same, the Directors present shall elect one of the Directors present to be Chairperson of such meeting. If no director is present or unwilling to act as Chairperson, the members may appoint one of their members as Chairperson.
43. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

### **MINUTES**

44. Directors shall respectively cause minutes of all proceedings of General Meetings and of all proceedings at meetings of Board of Directors or of committee of the Board or by postal ballot to be duly entered in books to be maintained for that purpose in accordance with Section 118 of the Companies Act, 2013.

The minutes of each meeting shall contain:

- a) The fair and correct summary of the proceedings thereat.
- b) The name of the Directors present at the meeting in case of meeting of Board or committee of Board of Directors.



- c) The name of the Directors, if any, dissenting from or not consenting to the resolution, in the case of each resolution passed at the meeting of Board or committee of Board of Directors.
- d) All appointments made at any meeting. Any such minutes, purposing to be signed in accordance with the provisions of Section 118 of the Act, shall be evidence of the proceedings.

## **DIRECTORS**

- 45. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).
- 46. Subject to the provisions of Section 149 of the Act, the Company may from time to time by Special Resolution increase or reduce the number of Directors within the limits fixed by these Articles, and may also determine in what rotation the increased or reduced number is to vacate the office. A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules. The Directors shall appoint one women director as per the requirements of section 149 of the Act.
- 47. The following shall be the First Directors of the Company.
  - 1. Manju Gupta
  - 2. Radhika Gupta
- 48. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.
- 49. The Directors shall have the power, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.
- 50. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another and the same has to be ratified by the shareholders in the General Meeting as per the provisions of Section 196 and Schedule V of the Companies Act 2013.
- 51. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Companies Act 2013, shall be one third of the total strength or at least two whichever is higher.
- 52. The Company shall not, directly or indirectly, advance any loan, or a loan represented as a book debt, to any of its Managing/Whole Time directors or to any person in whom such Managing/Whole Time director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person unless the same is approved by the members in general meeting or as a part of conditions of service extended to all of its employees by the Company subject to the provisions of section 185 of the Companies Act, 2013.
- 53. Subject to section 175 of the Companies Act 2013, a resolution in writing signed by the Director's except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

54. Subject to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors may, by passing a resolution in Board Meeting, appoint a person as an alternate director in place of a director who is absent from India for a period not less than 3 (three) months. Such alternate director while so acting shall exercise and discharge all functions and powers and be subject to all the duties and limitations of the Director which he represents and shall be entitled to receive notice to attend and to vote a Director's meeting on behalf of meeting attended by him. Such alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India.
55. The Director shall have power for engagement and dismissal of managers, engineers, assistants, clerks and others and shall have power of general direction, and management and superintendence, of the business of the company with full powers to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business and concern of the Company including the power to make such investment of the Company's fund as they shall think fit, subject to the limit fixed by the Board of Directors under Section 179 of the Companies Act 2013 and sign contracts and to draw, make sign, accept, endorse and negotiate on behalf of the Company all bills of exchange, promissory notes, hundies drafts, Government Promissory Notes and other Government securities and such other instruments.
56. The Director may delegate all or any of their powers to such other Directors, Managers or other persons as they think fit and shall have power to grant to any such person such power of attorney, as they deem expedient and such powers at pleasure to revoke, subject to Section 179 and 166 of the Companies Act, 2013.
57. Subject to Provision under section 197 and Schedule V of the Companies Act, 2013 the director shall receive such remuneration for their services as may, from time to time, be determined by the Company in general meeting or in a Board Meeting or may be contained in an agreement, if any, between the Company and any Director or Directors.
58. A Director shall not be required to hold any qualification shares in the Company and also not required to retire by rotation.
59. The Director shall also be paid travelling and other expenses of attending and returning from meeting of the Board (including hotel expenses) and any other expenses incurred by them in connection with the business of the Company. The Directors may also be remunerated for any extra services rendered by them outside their ordinary duties as Director, subject to the provisions of Section 188 of the Companies Act 2013.
60. Subject to the provisions of the companies Act, 2013 and the Rules framed there under, Board may decide to pay a Director out of the funds of the Company by way of sitting fees a sum to be determined by the board for each meeting attended by him.
61. The Board of Directors may participate in board meeting by telephone or video conferencing or any other means of contemporaneous communication.
62. A Written Resolution circulated to all the Director, whether in India or overseas and signed by majority of them as approved, shall (subject to the provisions of section 175 of the Companies Act 2013.) be as valid and effective as a resolution duly passed at the meeting of the Board.
63. The controlling shareholders shall have the right to appoint managing director of the company. Wherever, the Managing Director has been appointed in a Board Meeting and has not been approved by shareholders in the General Meeting, all the acts done by such person in such duration shall not be invalid.

#### **POWERS AND DUTIES OF DIRECTORS**

64. The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required:

- a) To make calls on shareholders in respect of moneys unpaid on shares held by them.
  - b) To increase or reduce the Company's capital.
  - c) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares.
  - d) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.
  - e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled
  - f) To issue and allot new shares.
  - g) To make any Rights Issue of shares.
  - h) To adopt any resolution to alter the Memorandum and Articles of Association.
  - i) To invest or to join any company to invest in any other company.
  - j) To Issue Debentures.
  - k) To undertake or permit any merger, consolidation or reorganisation of the Company.
  - l) To decide on the declaration of dividends and appropriation of profits according to provisions of Section 51 of the Companies Act, 2013.
  - m) Subject to the provisions of Section 186 of the Companies Act 2013, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by anybody corporate.
65. The business of the Company shall be managed by the Board of Directors who may pay all such expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit and may exercise all such power of the Company and do on behalf of the Company all such acts as may be exercised or done by the Company in general meeting and are not barred by statute or by these Articles and are required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of the Articles, to the provisions of the statute and to such regulations not being inconsistent with aforesaid regulations or provisions as may be prescribed by the Company in general meeting but no regulation made by the Company general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made.
66. The Board of Directors may from time to time, pay to the members such interim dividends as appear to be justified from the profits of the Company Subject to the provisions of Section 123 of Companies Act, 2013.

### **BORROWING POWERS**

67. Subject to section 73-76A and 179 of the Companies Act 2013, and Regulations made thereunder and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member companies or banks or they may themselves advance money to the company on such interest or no interest as may be approved by the Directors, without security or on security.
68. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge,

mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

69. Any debenture, bonds, or other securities may be issued at premium or otherwise and with special privileges as to redemption, surrender, drawing and allotment of shares of the Company and otherwise.

#### **OPERATION OF BANK ACCOUNTS**

70. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.

#### **ACCOUNTS**

71. (a) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members (not being Director).
- (b) No members (not being Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
72. The Directors shall in all respect comply with the provisions of Section 128, 129, 133, 134, 137, 207 of the companies Act, 2013, profit and Loss Account, Balance Sheet and Auditors Report and every other document required by law to be annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

#### **AUDIT**

73. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- (b) Subject to the provisions of Chapter X of the Companies Act, 2013, the Company shall, at first Annual General Meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its Sixth Annual General Meeting and thereafter till the conclusion of every sixth meeting.
- (c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- (d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

#### **COMMON SEAL**

74. (a) The Directors may, with a resolution passed in Board meeting, decide to have a Common seal in place, be made of metal.
- (b) The Board shall provide for the safe custody of the Company's Common Seal.

(c) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf and except in the presence of at least one director who shall sign every instruments to which the seal of the Company if so affixed.

#### **SECRECY**

75. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

#### **WINDING UP**

76. Winding up when necessary will be done in accordance with the requirements of the Companies Act, 2013 or statutory modification thereto.

#### **INDEMNITY**

77. Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any Bona fide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court.

*\*The Shareholders of the Company at the extra-ordinary general meeting held on 04.11.2024 approved the adoption of new set of Article of Association to align it with the provision of the Companies Act, 2013.*

*\*\* The Shareholders of the Company at their extra-ordinary general meeting held on 04.11.2024 approved the change in the name of the Company from “MATANGI RUBBER PRIVATE LIMITED” to “MATANGI RUBBER LIMITED” pursuant to its conversion from Private Limited Company to Public Limited Company*

No Material Clause of Article of Association have been left out from disclosure having bearing on the IPO/disclosure.

## SECTION IX- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Unit No. 401, 4th Floor, Southern Park, Saket District Center, Saket (South Delhi), South Delhi, Delhi 110017, from date of filing the Draft Red Herring Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### MATERIAL CONTRACTS

- 1) Issue Agreement dated July 30, 2025 between the Book Running Lead Manager and Company.
- 2) Agreement dated July 30, 2025 between our Company, and the Registrar to the Issue.
- 3) Public Issue Account Agreement dated [●] among our Company, the Book Running Lead Manager, the Banker to Issue/Public Issue Bank/Refund Banker/Sponsor Banker, and the Registrar to the Issue.
- 4) Underwriting Agreement dated [●] between our Company, Underwriter and Book Running Lead Manager.
- 5) Market Making Agreement dated [●] between our Company and the Book Running Lead Manager and the Market Maker.
- 6) Tripartite Agreement dated July 18, 2025 among CDSL, the Company and the Registrar to the Issue.
- 7) Tripartite Agreement dated July 18, 2025 among NSDL, the Company and the Registrar to the Issue.

#### MATERIAL DOCUMENTS

- 1) Certified True Copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Certificate of Incorporation dated June 23, 2004 issued by Registered of Companies Delhi & Haryana.
- 3) Pursuant to change in name, a Fresh Certificate of incorporation dated November 26, 2024 issued by Central Processing Centre
- 4) Resolution of the Board dated June 16, 2025 approving the Issue.
- 5) Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated June 18, 2025 approving the Issue.
- 6) Statement of Tax Benefits dated July 31, 2025 issued by Ashwani & Associates, Chartered Accountants, Statutory Auditor of our Company.
- 7) Report of the Statutory & Peer Reviewed Auditor, Ashwani & Associates, Chartered Accountants dated July 28, 2025 on the Restated Financial Statements for the Financial Years ended as on March 31, 2025, March 31, 2024 and March 31, 2023 of our Company.
- 8) Certificate dated July 31, 2025 issued by Ashwani & Associates, Chartered Accountants, certifying the KPIs of the Company.

- 9) Resolution of Audit Committee dated July 28,2025, verifying the key performance indicators
- 10) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker to our Company, the Book Running Lead Manager, Underwriter\*, Registrar to the Issue, Market Maker to the Issue\*, Peer Review Auditor, Legal Advisor, Banker to the Issue/Public Issue Bank\*, Refund Banker to the Issue\*, Sponsor Bank to the Issue\*, to act in their respective capacities.

*\*prior to the filing of Red Herring Prospectus.*

- 11) Consent dated April 23, 2025 from Infomerics, to include contents or any part thereof from their report titled “*Industry Report on Rubber (Tyre) Industry*” dated April 23, 2025 in this Draft Red Herring Prospectus;
- 12) Report titled “*Industry Report on Rubber (Tyre) Industry*” dated April 23, 2025, prepared and issued by Infomerics Analytics & Research Private Limited and commissioned by our Company for an agreed fee.
- 13) Due Diligence Certificate dated September 22, 2025 addressed to BSE Limited issued by the Book Running Lead Manager.
- 14) In - principle listing approval dated [●] from BSE Limited.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the rules/guidelines/regulations issued by the Government of India or the regulations / guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Red Herring Prospectus are true and correct.

### Signed by the Directors of our Company

| Name                | DIN      | Designation             | Signature |
|---------------------|----------|-------------------------|-----------|
| Mohit Gupta         | 00103720 | Managing Director       | Sd/-      |
| Radhika Gupta       | 00284631 | Joint Managing Director | Sd/-      |
| Manju Gupta         | 00124974 | Executive Director      | Sd/-      |
| Sanjeev Bhatia      | 10819388 | Independent Director    | Sd/-      |
| Ajit Kumar Upadhyay | 11103211 | Independent Director    | Sd/-      |
| Sunil Kumar Singh   | 11119400 | Independent Director    | Sd/-      |

### Signed by the Chief Financial Officer and Company Secretary of our Company:

| Name               | PAN        | Designation                              | Signature |
|--------------------|------------|------------------------------------------|-----------|
| Vijay Kumar Sharma | AUAPS1166P | Company Secretary and Compliance Officer | Sd/-      |
| Sunil Kumar Gupta  | ACOPG4988K | Chief Financial Officer                  | Sd/-      |

**Place:** Delhi

**Date:** September 22, 2025