



# VRUDDHI ENGINEERING WORKS LIMITED

CIN: U28246MH2020PLC348853

Our Company was incorporated in Mumbai, Maharashtra as "Vrudhhi Steel Private Limited", a private limited company under the Companies Act, 2013, vide certificate of incorporation dated October 27, 2020 issued by Assistant Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on December 26, 2022, and consequently, the name of our Company was changed to "Vrudhhi Steel Limited", and a fresh certificate of incorporation consequent upon conversion from private company to public company dated January 05, 2023, was issued by the RoC to our Company. Later on, January 31, 2023, the running business of the proprietorship concern of our Promoter namely "M/s. Kosmo Ventures" was taken over by the Company, along with the assets and liabilities of the proprietorship concern as going concern. Further, the name of our Company was changed to "Vrudhhi Engineering Works Limited" pursuant to a special resolution passed in the extraordinary general meeting of our Shareholders held on April 29, 2023 and a fresh certificate of incorporation dated June 20, 2023 was issued by the Registrar of Companies, Mumbai. For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 119 of the Prospectus.

Registered Office: Office No 603, 6th Floor, Cello - The Plaza, V P Road, Vile Parle West - 400056, Mumbai, Maharashtra, India | Corporate Office- Office No 602, 6th Floor, Cello - The Plaza, V P Road, Vile Parle West - 400056, Mumbai, Maharashtra, India | Tel No: +91- 022 26128915 | Email Id: cs@vrudhicouplers.com | Website: www.vrudhicouplers.com | Contact Person: Kishori Jaysingh Sodha, Company Secretary and Compliance Officer

## PROMOTER OF OUR COMPANY: BINDI KUNAL MEHTA

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF BSE LIMITED ("BSE SME") THE COMMENCEMENT OF TRADING OF THE EQUITY SHARES OF OUR COMPANY ON THE STOCK EXCHANGE SHALL BE WITH EFFECT FROM WEDNESDAY, APRIL 03, 2024. THE COMMENCEMENT OF TRADING OF THE EQUITY SHARES OF OUR COMPANY SHALL BE ON T+3 DAY (T BEING THE ISSUE CLOSING DATE) IN TERMS OF THE TIMELINES PRESCRIBED UNDER THE SEBI CIRCULAR NO. SEBI/HO/CFD/TPD1/CIR/P/2023/140 DATED AUGUST 09, 2023.

Our Company has filed the Prospectus dated April 01 2024 with the RoC the Equity Shares are proposed to be listed on the SME PLATFORM OF BSE LIMITED and trading is expected to commence on April 03, 2024.

## BASIS OF ALLOTMENT

INITIAL PUBLIC ISSUE OF UPTO 6,80,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF VRUDDHI ENGINEERING WORKS LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹70 PER EQUITY SHARE (THE "ISSUE PRICE"), (INCLUDING A PREMIUM OF ₹60 PER EQUITY SHARE), AGGREGATING ₹ 476.00 LAKHS ("THE ISSUE"), OF WHICH 36,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- FOR CASH AT A PRICE OF ₹70 EACH AGGREGATING ₹25.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 6,44,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹70 PER EQUITY SHARE, AGGREGATING TO ₹450.80 LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.95% AND 25.52% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO 201 OF THE PROSPECTUS..

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00/- EACH AND  
THE ISSUE PRICE IS ₹ 70 /- PER EQUITY SHARE  
THE ISSUE PRICE IS 7.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BID/ISSUE OPENED ON: TUESDAY, MARCH 26, 2024  
BID/ISSUE CLOSED ON: THURSDAY, MARCH 28, 2024

## RISKS TO INVESTORS

- Our Company, Promoters, Directors and Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.
- In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business
- We have made an application with the Registrar of Trade Marks for registration of the logos and same has been under the status of send to Vienna Codification. Any delay in receiving the approval and/or granting registration or in obtaining registration could result in loss of logos & brand equity and the Company's right to use the said logos.
- Our Company and our Promoter may not have significant experience in the business of our Company.
- We have in the past entered into related party transactions and may continue to do so in the future.
- We are highly dependent on our suppliers for uninterrupted procurement and sale of our traded goods. Any disruption of supply from such entities may affect our business operations.
- Our Company has reported certain negative cash flows from its operating activity, investing activity and financing activity.
- Our Company has incurred losses in the previous Fiscals.
- WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THE PROSPECTUS

The weighted average price at which the equity shares were acquired by our Promoter in the one year preceding the date of the Prospectus:

Name	Number of Shares	Weighted Average Cost of Acquisition per Equity Share (in ₹)
Bindi Kunal Mehta	17,71,368	4.92

As certified by Maheshwari & Co., Chartered Accountants, pursuant to their certificate dated April 01, 2024.

## 10. WEIGHTED AVERAGE COST OF ACQUISITION OF ALL SHARES TRANSACTED IN THE THREE YEARS, 18 MONTHS AND ONE YEAR PRECEDING THE DATE OF THE PROSPECTUS

Period	Weighted average cost of acquisition per Equity Share (in ₹) ^ %	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price per Equity Share: lowest price - highest price (in ₹) ^
Last one year preceding the date of the Prospectus	4.90	34.30	168.11
Last 18 months preceding the date of the Prospectus	6.94	24.22	168.11
Last three years preceding the date of the Prospectus	6.94	24.22	168.11

%Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer by way of gift and bonus issue).

^ As certified by Maheshwari & Co., Chartered Accountants, Chartered Accountants by way of their certificate dated April 01, 2024

## 11. AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoter as at the date of the Prospectus is:

Name	Number of Shares	Weighted Average Cost of Acquisition per Equity Share (in ₹)
Bindi Kunal Mehta	17,71,368	4.94

\*As certified by M/s Maheshwari & Co., Chartered Accountants, pursuant to their certificate dated April 01, 2024

## PROPOSED LISTING

The Equity Shares of the Company offered through the Prospectus dated April 01 2024 are proposed to be listed on the SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received In-Principle Approval Letter dated November 10, 2023 from BSE for listing our shares and also for using its name in the offer document for listing of our shares on SME Platform of BSE Limited. It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Prospectus for the full text of the "Disclaimer Clause of the SME Platform of BSE Limited" on page 194 of the Prospectus. For the purpose of this issue the Stock Exchange will be BSE Limited ("BSE") The trading is proposed to be commenced on or about April 03, 2024 (Subject to receipt of listing and trading approval from BSE).

The issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"). Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and 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. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. 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 ICDR Regulations, subject to valid bids being received at or above the Issue Price. All potential Bidders are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" beginning on page 210 of the Prospectus

## SUBSCRIPTION DETAILS

### DETAILS OF THE APPLICATION:

The Issue has received 2,638 applications (before rejections and bids not banked) for 91,34,000 Equity Shares (Including Market Maker Application of 36000 Equity Shares) resulting 13.43 times subscription.

The details of the applications received in the Issue from Retail Individual Investors, Non-Institutional Investors and Market Maker (before and after technical rejections & withdrawal) are as follows:

### A) DETAILS OF APPLICATIONS RECEIVED (Before Technical Rejection and after amounts not blocked)

Sr. No.	Category	Number of Applications	Number of Equity Shares	Amount (₹)
1	Qualified Institutional Buyers	2	358000	25060000.00
2	Non-Institutional Bidders	221	3912000	273760000.00
3	Retail Individual Investors	2414	4828000	337830000.00
4	Market Maker	1	36000	2520000.00
	<b>TOTAL</b>	<b>2638</b>	<b>9134000</b>	<b>639170000.00</b>

### B) DETAILS OF VALID APPLICATIONS:

Sr. No.	Category	Gross*		Less: Rejections*		Valid	
		Applications	Equity Shares	Applications	Equity Shares	Applications	Equity Shares
1	Qualified Institutional Buyers	2	358000	0	0	2	358000
2	Retail Individual Investors	2414	4828000	67	134000	2347	4694000
3	Non-Institutional Bidders	221	3912000	2	26000	219	3886000
4	Market Maker	1	36000	0	0	1	36000
	<b>Total</b>	<b>2638</b>	<b>9134000</b>	<b>69</b>	<b>160000</b>	<b>2569</b>	<b>8974000</b>

\*This includes 20 applications for 40,000 Equity Shares from Retail Individual which were not in book but excludes bids (UPI Mandates & SCSB) not accepted by investors

ALLOCATION: The Basis of Allotment was finalized in consultation with the Stock Exchange i.e BSE Limited on April 01, 2024.

**Allocation to Market Maker (After Technical Rejections):** The Basis of Allotment to the Market Maker, at the issue price of ₹70 per Equity Share, was finalized in consultation with BSE SME. The category was subscribed by 1.00 time. The total number of shares allotted in this category is 36000 Equity shares in full out of reserved portion of 36000 Equity Shares.

**C. Allocation to Retail Individual Investors (After Technical Rejections):** The Basis of Allotment to the Retail Individual Investors, at the issue price of ₹70/- per Equity Share, was finalized in consultation with BSE SME. The category was subscribed by 20.77 times. The total number of shares allotted in this category is 2,26,000 Equity shares out of reserved portion of 3,26,000 Equity Shares.

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Allocation per Applicant		Ratio of allottees to applicants	Serial Number of Qualifying applicants	Number of successful applicants (after rounding)	% to total	Total No. of shares allocated/ allotted	% to total	Surplus/ Deficit (14)-(7)
							Before Rounding off	After Rounding off							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	2000	2347	100.00	4694000	100.00	226000	96.29	2000	4	83	113	100.00	226000	100.00	0
	<b>GRAND TOTAL</b>	<b>2347</b>	<b>100.00</b>	<b>4694000</b>	<b>100.00</b>	<b>226000</b>					<b>113</b>	<b>100.00</b>	<b>226000</b>	<b>100.00</b>	<b>0</b>

**D. Allocation to Qualified Institutional Buyers (After Technical Rejections):** The Basis of Allotment to the Qualified Institutional Buyers, at the issue price of ₹70/- per Equity Share, was finalized in consultation with BSE SME. The category was subscribed by 1.12 times. The total number of shares allotted in this category is 3,20,000 Equity shares out of reserved portion of 3,20,000 Equity Shares.

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Allocation per Applicant		Ratio of allottees to applicants	Serial Number of Qualifying applicants	Number of successful applicants (after rounding)	% to total	Total No. of shares allocated/ allotted	% to total	Surplus/ Deficit (14)-(7)
							Before Rounding off	After Rounding off							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	178000	1	50.00	178000	49.72	159106	159106	160000	1	1	1	50.00	160000	50.00	894
2	180000	1	50.00	180000	50.28	160894	160894	160000	1	1	1	50.00	160000	50.00	-894
	<b>GRAND TOTAL</b>	<b>2</b>	<b>100.00</b>	<b>358000</b>	<b>100.00</b>	<b>320000</b>					<b>2</b>	<b>100.00</b>	<b>320000</b>	<b>100.00</b>	<b>0</b>

**E. Allocation to Non-Institutional Bidders (After Technical Rejections):** The Basis of Allotment to the Non-Institutional Bidders, at the issue price of ₹70/- per Equity Share, was finalized in consultation with BSE SME. The category was subscribed by 1.12 times. The total number of shares allotted in this category is 3,20,000 Equity shares out of reserved portion of 3,20,000 Equity Shares.

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Allocation per Applicant		Ratio of allottees to applicants	Serial Number of Qualifying applicants	Number of successful applicants (after rounding)	% to total	Total No. of shares allocated/ allotted	% to total	Surplus/ Deficit (14)-(7)
							Before Rounding off	After Rounding off							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1	4000	125	57.08	500000	12.87	12609	100.87	2000	6	125	6	15.38	12000	12.24	-609
2	6000	14	6.39	84000	2.16	2118	151.29	2000	1	14	1	2.56	2000	2.04	-118
3	8000	6	2.74	48000	1.24	1211	201.67	2000	1	6	1	2.56	2000	2.04	789
4	10000	14	6.39	140000	3.60	3531	252.21	2000	1	7	2	5.13	4000	4.08	469
5	12000	2	0.91	24000	0.62	605	302.5	2000	0	0	0	0.00	0	0.00	-605
6	14000	1	0.46	14000	0.36	353	353	2000	0	0	0	0.00	0	0.00	-35

Sr. No.	No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Proportionate shares available	Allocation per Applicant		Ratio of allottees to applicants	Serial Number of Qualifying applicants	Number of successful applicants (after rounding)	% to total	Total No. of shares allocated/ allotted	% to total	Surplus/ Deficit (14)-(7)
							Before Rounding off	After Rounding off							
7	16000	9	4.11	144000	3.71	3632	403.44	2000	2	9	2	5.13	4000	4.08	368
8	18000	2	0.91	36000	0.93	908	454	2000	0	0	0	0.00	0	0.00	-908
9	20000	11	5.02	220000	5.66	5548	504.36	2000	3	11	3	7.69	6000	6.12	452
10	22000	3	1.37	66000	1.70	1664	554.67	2000	1	3	1	2.56	2000	2.04	336
11	26000	1	0.46	26000	0.67	656	656	2000	0	0	0	0.00	0	0.00	-656
12	28000	1	0.46	28000	0.72	706	706	2000	0	0	0	0.00	0	0.00	-706
13	30000	1	0.46	30000	0.77	757	757	2000	0	0	0	0.00	0	0.00	-757
14	34000	2	0.91	68000	1.75	1715	857.5	2000	1	2	1	2.56	2000	2.04	285
15	38000	2	0.91	76000	1.96	1917	958.5	2000	1	2	1	2.56	2000	2.04	83
16	40000	3	1.37	120000	3.09	3026	1008.67	2000	1	3	1	5.13	2000	2.04	-1026
17	46000	5	2.28	230000	5.92	5800	1160	2000	3	5	3	7.69	6000	6.12	200
18	50000	2	0.91	100000	2.57	2522	1261	2000	1	2	1	2.56	2000	2.04	-522
19	52000	1	0.46	52000	1.34	1311	1311	2000	1	1	1	2.56	2000	2.04	689
20	88000	1	0.46	88000	2.26	2219	2219	2000	1	1	1	2.56	2000	2.04	-219
21	100000	2	0.91	200000	5.15	5044	2522	2000	1	1	2	5.13	4000	4.08	-1044
	100000		0.00		0.00			2000	1	2		0.00	2000	2.04	2000
22	106000	1	0.46	106000	2.73	2673	2673	2000	1	1	1	2.56	2000	2.04	-673
23	110000	1	0.46	110000	2.83	2774	2774	2000	1	1	1	2.56	2000	2.04	-774
24	134000	1	0.46	134000	3.45	3379	3379	4000	1	1	1	2.56	4000	4.08	621
25	138000	1	0.46	138000	3.55	3480	3480	4000	1	1	1	2.56	4000	4.08	520
26	140000	1	0.46	140000	3.60	3531	3531	4000	1	1	1	2.56	4000	4.08	469
27	150000	4	1.83	600000	15.44	15131	3782.75	4000	1	1	4	10.26	16000	16.33	869
28	164000	1	0.46	164000	4.22	4136	4136	4000	1	1	1	2.56	4000	4.08	-136
29	200000	1	0.46	200000	5.15	5044	5044	6000	1	1	1	2.56	6000	6.12	956
	<b>GRAND TOTAL</b>	<b>219</b>	<b>100.00</b>	<b>3886000</b>	<b>100.00</b>	<b>98000</b>					<b>38</b>	<b>100.00</b>	<b>98000</b>	<b>100.00</b>	<b>0</b>

The Board of Directors of the Company at its meeting held on April 01, 2024 has approved the Basis of Allocation of Equity Shares as approved by the Designated Stock Exchange viz. BSE and has authorized the corporate action for issue of the Equity Shares to various successful applicants. The CAN-com-allotment advices and/or notices will be forwarded to the email id's and address of the Applicants as registered with the depositories / as filled in the application form on or before April 02, 2024. Further, the instructions to Self-Certified Syndicate Banks for unblocking the amount will process